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Graduate School of Management

Master in Management Program

TRANSFORMATION OF BUSINESS SUSTAINABILITY STRATEGIES OF FMCG
COMPANIES IN THE 21ST CENTURY
ON THE EXAMPLES OF UNILEVER AND L'ORÉAL

Master's Thesis by the 2nd year student

Concentration – Management

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ЗАЯВЛЕНИЕ О САМОСТОЯТЕЛЬНОМ ХАРАКТЕРЕ ВЫПОЛНЕНИЯ ВЫПУСКНОЙ КВАЛИФИКАЦИОННОЙ РАБОТЫ

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АННОТАЦИЯ

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Название ВКР	Трансформация стратегий устойчивости бизнеса FMCG-компаний в 21 веке на примере компаний Юнилевер и Лореаль
Образовательная программа	Менеджмент
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Год	2019-2021
Научный руководитель	Благов Юрий Евгеньевич
Описание цели, задач и основных результатов	<p>Реальная проблема для исследования заключается в том, что в 21 веке компании FMCG должны внедрять новые стратегии устойчивости бизнеса или улучшать существующие. Это необходимо, потому что в современном мире существует множество вызовов и проблем, связанных с устойчивым развитием. Итак, цель исследования - разработать рекомендации по трансформации стратегий устойчивости бизнеса FMCG-компаний. Ключевые цели исследования - проанализировать трансформацию стратегий устойчивого развития на микро- и макроуровнях. Также важно сотрудничать с FMCG-компаниями и понять их мотивацию в реализации устойчивых бизнес-стратегий. Следующая цель - разработать ключевые рекомендации по трансформации стратегии устойчивости бизнеса FMCG-компаний. Основными результатами исследования является список рекомендаций, основанный на опыте ключевых лидеров в сфере FMCG - компаний Юнилевер и Лореаль.</p>
Ключевые слова	Стратегии устойчивости бизнеса, FMCG компании, трансформация стратегии, Юнилевер, Лореаль

ABSTRACT

Master Student's Name	Koreneva Ksenia Dmitrievna
Master Thesis Title	Transformation of business sustainability strategies of FMCG companies in the 21st century on the examples of Unilever and L'Oréal
Educational Program	Management
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Academic Advisor's Name	Blagov Yuri Evgenievich
Description of the goal, tasks and main results	<p>The real-life problem for the research is that in the 21st century FMCG companies must implement new business sustainability strategies or to improve existing ones. This is needed because in the modern world there are a lot of challenges and problems, connected with sustainability. So, the purpose of the paper is to create recommendations for the transformation of business sustainability strategies of FMCG companies. Key goals of the research are to understand the sustainable development strategies transformation on micro-level and macro-levels. Also it is important to cooperate with FMCG companies and understand their motivation regarding sustainable business strategies implementation. The next goal is to elaborate key recommendations for FMCG companies' business sustainability strategies transformation. The main results of the study are the list of recommendations, based on the experience of key leaders in FMCG sphere – Unilever and L'Oréal companies.</p>
Keywords	Business sustainability strategies, transformation of the strategy, FMCG, Unilever, L'Oréal

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INTRODUCTION

0.1. Relevance of the study

The topic of the master thesis is “*Transformation of business sustainability strategies of FMCG companies in the 21st century on the examples of Unilever and L’Oréal*”.

Business sustainability strategies are crucial for different industries. They influence on economic, environmental and social aspects of the business. Business sustainability strategy is an integration of economic, environmental and social aims into company’s goals, with the aim to create a long-term value for the company, stakeholders and society¹.

In our research we have decided to focus mainly on FMCG industry and its companies — businesses that manufacture and distribute consume goods fast and on relatively low price. Important examples of FMCG companies are Unilever, P&G, Nestle, Coca-Cola. They are the hugest companies in the industry, that are among the first ones who have implemented business sustainability strategies. So, the topic is relevant for FMCG companies, that can use its results for the transformation of their existing sustainable strategies. For our research we will focus on Unilever — leader in FMCG sphere, that is present in more than 190 countries in the world². Also, we will analyze L’Oréal — one of the biggest FMCG companies, that focuses on beauty products³.

0.2. Research gap and goal

For our analysis we investigated theoretical and practical papers, that can be divided into two main groups. Papers about micro-changes, that influence business sustainability changes and papers about macro-changes, that affect these changes. Many of these papers are devoted to key theories of business sustainability strategies and their implementation. Meanwhile, there is a lack of studies regarding companies’ motivation and need to implement or transform their business sustainability strategies. Also, there are no research about the influence of Covid-19 pandemic on business sustainability strategies. What is more, we used official information of FMCG companies in general and Unilever and L’Oréal in particular.

¹ Thomas B. Long, (2019) Sustainable Business Strategy. In Leal Filho, W., Azul, A.M., Brandli, L., Özuyar, P.G., Wall, T. (Eds.) Encyclopedia of the UN Sustainable Development Goals: Decent Work and Economic Growth. Springer, UK.

² Unilever/ official website

URL: <https://www.unilever.com/>

³ L’oreal/ official website

URL: <https://www.lorealparisusa.com/>

The *real-life problem* is that in the 21st century FMCG companies must implement new business sustainability strategies or to improve existing ones. This is needed because in the modern world there are a lot of challenges and problems, connected with sustainability. These problems can be solved only with the help of businesses, society and government. This real-life problem is not fully covered in the existing researches.

Based on theoretical analysis of the topic, we were able to identify the *research gap*. In the literature there are many information regarding key business sustainability theories, but there is a lack of understanding of companies' motivation. How companies make plan of their business sustainability strategies transformation? Which factors are the most important for them? How did Covid-19 affect these strategies?

The *purpose of the paper* is to create recommendations for the transformation of business sustainability strategies of FMCG companies. Key recommendations for sustainable strategies implementation will be based on the analysis of lessons, reasons, recommendations of Unilever and L'Oréal companies. So, the *object* of the study is FMCG company. The *subject* of the study is the business sustainability strategies in the 21st century.

We have set *four goals* in order to achieve the main purpose of the research. The first one is to analyze main papers regarding the business sustainability strategies transformation on macro-level — state, society, world. The second is to understand the sustainable development strategies transformation on micro-level. The third is to cooperate with FMCG companies — leaders in the industry — and understand their motivation regarding sustainable business strategies implementation. What is the level of their business sustainability strategies? What are the key drivers for these strategies? The forth goal is to elaborate key recommendations for FMCG companies' business sustainability strategies transformation, based on company-leaders experience (L'Oréal and Unilever).

0.3. Research questions and research strategy

From the research problem formulation, we can pose *research questions*. There are two of them for now:

- 1) Why do companies implement their business sustainability strategies transformation?
- 2) What drives companies to transform their business sustainability strategies?

This paper will consist of five chapters. The first chapter is dedicated to the theoretical research — analysis of macro and micro-level changes that affect business sustainability strategies. The second is devoted to the research methodology, that we used in my research. The third part is about results of the analysis and key recommendations for Unilever company. The fourth one is about our results of the analysis and key outcomes for L'Oréal company. The last chapter is devoted to discussions and conclusion of the paper.

The research has practical importance because it can be used by FMCG companies for their business sustainability strategies' creation and transformation. What is more, business sustainability strategies are relevant for society, because these strategies create additional social value. That is why, by examining existing business sustainability strategies and by creating a specific recommendation for their implementation, this topic could be beneficial for society.

CHAPTER 1. THEORETICAL RESEARCH ON THE BUSINESS SUSTAINABILITY STRATEGIES

1.1. Macro-level changes that affect business sustainability strategies

In order to understand a concept of business sustainability strategy, it is vital to analyze changes on macro- and micro-level that influence on business sustainability strategy. Firstly, we would like to present main ideas of the macro-level analysis.

Let's start our analysis with the Brundtland Report — a report of the World Commission on Environment and Development, called “Our common future”⁴. The main goal of this paper was to propose multilateralism and interdependence of different nations in their search for sustainable development. Our Common Future has placed environmental issues firmly on the political agenda. This paper was a result of “900-day” cooperation between different nations.

The main idea of the report was to strengthen international cooperation on environment and development, create new forms of cooperation, raise level of sustainable issues' understanding. The Commission has focused on food security, energy, areas of population, human settlements etc. Human resource development in the opinion of the Brundtland Report authors was essential for formulation of sustainable strategies. Also, it has acknowledged the limits of the environment to the economic growth. The Report claimed that poverty reduces sustainability and accelerates environmental pressures.

What is more, the key contributions of Our Common Future to the concept of sustainable development include the recognition that the many crises facing the planet are elements of a single crisis of the whole world.

Bansal (2019)⁵ has summarized main ideas about the sustainable development in the 21st century. He says that sustainable development aspires for intra- and inter-generational equity. The need of future generations cannot longer be assured due to rapid wealth creation and its influence on natural environment. While we are facing the exciting technological revolutions, the wealth, created by these revolutions, is distributed among fewer number of people.

⁴ WCED [World Commission on Environment and Development] (1987). Our common future. New York, NY: Oxford University Press.

⁵ Bansal, P. (2019), “Sustainable development in an age of disruption”, Academy of Management Discoveries, Vol. 5 No. 1, pp.8–12.

Author believes that sustainable development requires multi-level, multi-disciplinary and dynamic analysis. Technologies will have dual influence on our population in the 21st century. On the one hand, they will deal with some difficult environmental issues such as climate change, hunger, poverty etc. On the other hand, they will displace many jobs, create even more poverty and cause a big amount of energy consumption.

Bansal claims that in order to face macro disruption, researches in management sphere must introduce inter-disciplinary dialogue. Sustainable development requires knowledge of many professionals. It boosts circular economy and needs circular cooperation. Business also faces massive system changes. So, sustainable researchers must reevaluate and reexamine the meaning of sustainable development, its classification and ways to find a consensus solution for sustainable problems.

Lamach (2017)⁶ has introduced crucial research, that covers the connection of sustainable business strategies and sustainable development goals (SDGs) of the United Nations organization. These goals were set in 2015 by the UN General Assembly and are intended to be achieved by 2030. These goals are “no poverty”, “no hunger”, “good health and well-being”, “quality education”, “gender equality” and others⁷. Authors note that only 2% of companies are successful in achieving sustainable goals, whereas this connection is essential for sustainable business strategies. These goals could identify and lead companies to the creation of these strategies.

That is why, Lamach provides some advices for companies who want to follow and implement sustainable goals:

1. Companies should rely on people, who understand these goals,
2. It is essential to make sustainable goals personal for companies' staff,
3. Companies must track, measure and recognize sustainable goals.

⁶ Lamach M.. How our company connected our strategy to sustainability goals/ Harvard Business Review, October 2017

⁷ Appendix 1. The global goals for sustainable development/ Lamach M. How our company connected our strategy to sustainability goals/ Harvard Business Review, October 2017

These advices could be used for our research in addition to sustainability theories. We could elaborate scale for SDGs implementation by companies to understand their commitment to these goals.

Griggs, Stafford-Smith, Gaffney (2013)⁸ have also analyzed sustainable development goals (SDGs), that follows the Millennium development goals (MDGs), elaborated by the United Nations. Authors claim that with the rise of human population by 9 billion by 2050, definition of sustainable development must be changed and adopted to the existing and future challenges. SDGs must include the security of people and the planet itself.

Authors propose to create a new unified framework for the sustainable goals and development. They propose to combine SDGs and MDGs and create six target for 2030. The definition of the sustainable development, that was formulated in the Brundtland Commission Report, must be changed. It can be redefined in the following way: “development that meets the needs of the present while safeguarding Earth’s life-support system, on which the welfare of current and future generations depends”. From this new definition, authors propose six new SDGs: thriving lives and livelihoods, sustainable food security, sustainable water security, universal clean energy, healthy and productive ecosystems, and governance for sustainable societies.

Griggs, Stafford-Smith, Gaffney believe that international governance must be strengthen in order to achieve proposed six goals. Examples of these changes could be: «binding agreements on climate change, by halting the loss of biodiversity and ecosystem services and by addressing other sustainability concerns».

1.2. Micro-level changes that affect business sustainability strategies

Now, we are moving to the analysis of changes on micro-level that influence business sustainability strategies. It is mainly a level of the firms decision-making.

Porter and Kramer (2011)⁹ have identified a concept of shared value, which focuses on the connections between social and economic progress. Even huge companies such as Google, IBM, Walmart and others have begun to pay attention to the creation of shared value. Authors found out three main ways, by how companies can create shared value:

⁸ Griggs, D., Stafford-Smith, M., Gaffney, O. et al. (2013), “Sustainable development goals for people and planet”, *Nature*, Vol. 495, pp.305–307

⁹ Porter M.E.,Kramer M.R. The big idea - Creating shared value/ Harvard business review, Jan-Feb 2011, p. 62-77

- by reconceiving products and markets,
- by redefining productivity in the value chain,
- by enabling local cluster development.

Using these ways, companies will create new innovation, which will be beneficial for companies themselves and society.

Porter and Kramer have concluded that not all kinds of profit are equal. Profits, involving social value, create a positive cycle of company and community prosperity. Also, in the article it is stated that corporate social value must supersede corporate social responsibility, when we are talking about companies' investments. While corporate social responsibility focuses on reputation and company's brand, corporate social value is essential for company's profitability and competitive position. In conclusion, it is stated that by creating social value, company creates economic value.

Now, let's move to the sustainability analysis on real life examples. We believe that reports, conducted by consulting agencies and organizations are essential for our research.

So, in 2019 BCG company has created a report regarding circular solutions to plastic wastes¹⁰. In this paper there is the pyramid of plastic waste management¹¹. It shows that except of reducing of wastes, reuse of plastics is the best alternative. Whereas, leaking of plastic waste into the environment is the worst scenario. As for the disposal of wastes in landfills, it is not very preferable option. All in all, these results of analysis could be implemented into the elaboration of sustainable strategy plan, because various stakeholders are interested in waste management.

BCG has created a mechanical recycling loop¹², that provides an efficient business case for various companies and had significant social and environmental advantages. The main principal of the recycling loop is that wastes are recycled into secondary raw materials without the change of the basic structure of this materials. As a result, this loop will reduce an amount of virgin plastics and will drive greater circularity.

¹⁰ A circular solution to plastic wastes. BCG/ July 2019

URL: https://image-src.bcg.com/Images/BCG-A-Circular-Solution-to-Plastic-Waste-July-2019_tcm9-223960.pdf

¹¹ Appendix 2. The pyramid of plastic waste management/ A circular solution to plastic wastes. BCG/ July 2019
https://image-src.bcg.com/Images/BCG-A-Circular-Solution-to-Plastic-Waste-July-2019_tcm9-223960.pdf

¹² IBidM

McKinsey company has created a report regarding new trends in packaging¹³. There are five main trends, that will change the rules in the packaging industry by 2030. They will require more innovations and agility from companies to deal with the market competition. They are:

1. E-commerce everywhere
2. Changing consumer trends
3. Retail margin compression
4. Increasing pressure on sustainability
5. Digitalization of packaging

The first trend is “e-commerce everywhere”. With the development of Internet and its accessibility, companies must create packaging designs that will attract customer online. This will increase packaging requirements. The second is “changing consumer trends”. People will require more personal, convenient, affordable and health products and services. The third is “retail margin compression”. It occurs when the costs to make a product or deliver a service rise faster than the sales price of the product or service. Margin compression will raise for FMCG and retailers. The next trend is “increasing pressure on sustainability”. Sustainability will increase at every step of the value chains. The last one is “digitalization of packaging”. It will lower costs and gain a competitive edge with consumers. All in all, these trends must be taken into account for our further research.

United Nations environmental program (UNEP) has created a roadmap for sustainability with the analysis of single-use plastics¹⁴. This material is cheap and easy to make and use. But the wastes from single-use plastic are enormous. Only with the help of cooperation of society, government and business we are able to reduce these wastes.

¹³ No ordinary disruption - winning with the new model in packaging 2030. McKinsey & Company/ May 2019
URL:<https://www.mckinsey.com/~media/mckinsey/industries/paper%20and%20forest%20products/our%20insights/winning%20with%20new%20models%20in%20packaging/no-ordinary-disruption-winning-with-new-models-in-packaging-2030-vf.ashx>

¹⁴ Single-use plastics: a roadmap for sustainability/ UNEP, 2018 /
URL:
https://wedocs.unep.org/bitstream/handle/20.500.11822/25496/singleUsePlastic_sustainability.pdf?sequence=1&isAllowed=y

Combining examples of this cooperation on national and sub-national levels, UNEP has introduced 10 steps roadmap for sustainability. It is crucial for governments that are willing to improve current measures regarding this sphere. These 10 steps are:

1. Find out the most problematic types of single-use plastic by conducting an assessment of different types of plastic
2. Consider the best actions to solve the problem, taking into account the country's socio-economic peculiarities
3. Examine the potential on social, economic and environmental levels of the preferred short-listed instruments
4. Identify key stakeholders to ensure cooperation
5. Raise public awareness about the harm caused by single-used plastics
6. Promote alternatives of single-use plastic
7. Provide incentives to industry by introducing tax reduction and special conditions to this industry
8. Use revenues collected from taxes on single-use plastics in order to provide public goods
9. Allocate roles and responsibilities of this process and enforce chosen measures effectively
10. Monitor and adjust the chosen measures and update the public on progress.

In conclusion, it is vital to note that these steps could be used by any government in the world, adopting it by the social, cultural and economic peculiarities of its company.

Lubin and Esty (2010)¹⁵ believe that nowadays sustainability is an emerging trend on the mega-level. These megatrends require business to adapt fast and to be involved in order to succeed. It is vital to note that over the past 10 years' environmental issues have influence a lot businesses' capacity to create value for customers. These issues also influence products' quality.

¹⁵ Lubin D.A., Esty D.C. The sustainable imperative/ Harvard Business Review, May 2010

Authors have concluded that to elaborate successful sustainable strategies, companies should make shifts in 5 important areas. In these areas companies implement not tactical, but strategic and systematic changes. The first area is an elevation of leadership, which is essential for the implementation of sustainability. The second one is a systemization of methods and models. The third is an alignment of strategy and development, that must go in cooperation with each other. The last ones are an integration of management and a systemization of reporting and communication. All these areas allow companies to build their sustainable business plan.

Lubin and Esty have also pointed out some rules in order to implement this sustainable plan. These rules are the following: “do old things in new ways”, “do new things in new ways”, “transform core business” and “new business model creation and differentiation”. Authors also gave examples of companies, who have followed these rules and succeeded. They are Coca-Cola and Walmart.

Authors have also created a system of companies’ division into four groups, depending on their sustainability value creation and execution capabilities. The first group is called “losers”. These are companies, whose value is created from waste, cost, risk reduction and they have a capacity for tactical execution. The second group is “defenders”. Their value is also created from waste, cost or risk reduction, while they have capacity for strategic execution. The third group is “dreamers”. These companies create value from product and business model transformation and have capacity for tactical execution. The last group is called “winners”. They create value from product and business transformation and have capacity for strategic execution¹⁶. This approach could be users in order to analyze FMCG companies and elaborate sustainable business plan for them.

Nidumolu, Prahalad and Rangaswami (2019)¹⁷ claim that there is no alternative to sustainable development. Their research shows that sustainability is crucial nowadays for organizational and technological innovations. The main benefit from becoming environment-friendly organization is that it lowers costs. In order to become sustainable, authors advice for organizations to go through five stages:

- stage 1 – viewing compliance as opportunity,

¹⁶ Lubin D.A., Esty D.C. The sustainable imperative/ Harvard Business Review, May 2010

¹⁷ Nidumolu R., Prahalad C.K., Rangaswami M.R. Why sustainability is now the key driver of innovation/ Harvard Business Review, September 2019, p. 57-64

- stage 2 – making value chains sustainable,
- stage 3 – designing sustainable products and services,
- stage 4 – developing new business models,
- stage 5 – creating next-practice platforms.

What is more, authors have created some rules for organizations to become sustainable. They are “don’t start from the present”, “ensure that learning precedes investments”, “stay wedded to the goal while constantly adjusting tactics”, “build collaborative capacity, and “use a global presence to experiment”. All in all, authors have concluded that leadership and talent are essential for the development of eco-friendly organization. They believe that traditional approaches of business will vanish, and companies will have to develop innovative strategies. While innovations are strongly correlated to sustainability. These findings could be implemented into the elaboration of a plan for sustainable strategy creation.

Dyllick and Muff (2016)¹⁸ have decided to investigate two questions regarding sustainability “How can business make an effective contribution to resolving the sustainability challenges we are collectively facing?” and “When is business truly sustainable?”. They have noted that than nowadays more and more companies claim to be sustainable, but not all companies are able to manage really sustainable strategy.

Also, authors believe that there is a discrepancy between micro-level progress and macro-level deterioration. It is a big disconnect between company activities and the global state of the environment and society. They find three main challenges regarding this disconnect:

1. Poor integration of different topical streams in the business strategy discourse
2. Lack of integration of the macro level of society with the organizational micro level
3. Companies focus mainly on the success as the dominant performance indicator

So, in order to distinguish different companies with different level of sustainability, authors propose the typology, that ranges from

1. Business Sustainability 1.0 (Refined Shareholder Value Management)

¹⁸ Dyllick, Th. and Muff, K. (2016), “Clarifying the meaning of sustainable business: introducing a typology from business-as-usual to true business sustainability”, *Organization & Environment*, Vol. 29 No. 2, pp. 156–174.

2. Business Sustainability 2.0 (Managing for the Triple Bottom Line)

3. Business Sustainability 3.0 (True Sustainability)¹⁹.

Each business sustainable typology has its peculiarities in terms of concerns, value created and organizational perspective. But for each typology, Dyllick and Muff believe that if companies would like to take into consideration sustainability concerns, then long-term issues must have equal attention as short-term ones.

Landrum (2018)²⁰ believes that while companies are adopting sustainability more and more, the environments suffers even more. It could be explained by the paradox caused by misunderstanding of environmental problems and their solutions. So, the authors have researched and integrated 22 micro and macro-level models of developments stages regarding sustainability. As a result, a new unified model of stages was created, that gives full understanding of challenging topic of sustainability.

Landrum's model includes five stages of corporate sustainability:

1. Compliance (very weak sustainability)
2. Business-centered (weak sustainability)
3. Systemic (intermediate sustainability)
4. Regenerative (strong sustainability)
5. Coevolutionary (very strong sustainability)

This model extends the definition and understanding of sustainability. What is more, it can help corporations to understand the paradigm shift, that is essential to achieve a sustainable society. This model can move us from economically-oriented worldviews, based on the business cases for sustainability, towards a worldview of sustainable future.

¹⁹ Appendix 4: The Business sustainability typology with key characteristics and shifts/ Dyllick, Th. and Muff, K. (2016), "Clarifying the meaning of sustainable business: introducing a typology from business-as-usual to true business sustainability", *Organization & Environment*, Vol. 29 No. 2, pp. 156–174.

²⁰ Landrum, N.E. (2018), "Stages of Corporate Sustainability: Integrating the Strong Sustainability Worldview", *Organization & Environment*, Vol. 31 No. 4, pp. 287–313.

Joyce and Raquin (2016)²¹ have created a framework in the form of the triple layer business model canvas (TLBMC)²². Its purpose is to enable a triple bottom line perspective to sustainability of economic, environmental and social impact. The TLBMC have expanded the economic-centered approach to a standard business model by developing and integrating environmental and social canvas layers built from lifecycle and stakeholder perspectives into an extended business model canvas. This canvas has developed more holistic perspectives on business models, that are oriented on sustainability.

Authors believe that the triple layered business model canvas extends original business model canvas by two layers – environmental and social. This approach allows us to understand how companies operate, generating value in economic, environmental and social spheres. What is why, this tool could be used for further analysis of FMCG companies in this research.

Bocken, Short, Rana and Evans (2014)²³ have analyzed existing theories in the sphere of sustainability. They concluded that such terms as eco-innovations, corporate social responsibility and others are insufficient to build long-term social and environmental sustainability. That is why, they developed sustainable business models (SBM) archetypes. Sustainable business models themselves include triple bottom line approach, taking into account many different stakeholders. This approach is important for implementing corporate innovations for sustainability. To dive deeper into the analysis of SBM, authors have introduced SBM archetypes. They describe groupings of mechanisms and solutions, that will help to build business model for sustainability. The archetypes are “maximize material and energy efficiency”, “create value from ‘waste’”, “substitute with renewables and natural processes”, “deliver functionality rather than ownership”, “adopt a stewardship role”, “encourage sufficiency”, “re-purpose the business for society/ environment” and “develop scale-up solutions”²⁴. All in all, the main goal of these archetypes is to elaborate common tool for analysis of sustainable business models. For the further research, cosmetic companies could be analyzed with the help of sustainable business model archetypes. Using this approach, we

²¹ Joyce A., Raquin R.L.. The triple layered business model canvas : a tool to design more sustainable business models/ *Journal of Cleaner production*, vol. 135, 2016, p. 1474-1486

²² Appendix 5. The Triple Layered Business Model Canvas/ Joyce A., Raquin R.L.. The triple layered business model canvas : a tool to design more sustainable business models/ *Journal of Cleaner production*, 2016

²³ Bocken N.M.P, Short S.W. ,Rana P. ,Evans S. A literature and practice review to develop sustainable business model archetypes./ *Journal of Cleaner Production*, 65, 2014, p. 42-56

²⁴ Appendix 6. Sustainable business model archetypes/ Bocken N.M.P, Short S.W. ,Rana P. ,Evans S. A literature and practice review to develop sustainable business model archetypes./ *Journal of Cleaner Production*, 2014

can distinguish companies who already have sustainable business plan transformation and who do not have it.

Now, let's move to the analysis of more practice-oriented articles, where we can see examples of different industries, companies, countries and their attitude towards sustainability. So, Wong Ker Xin, Yap Kar Sen and Salini Devi Rajendran (2019)²⁵ have analyzed the benefits of eco-friendly packaging in supply chain management for FMCG companies. Authors present an analysis of relationship between benefits (such as cost reduction, brand image, legal compliance, environmental friendly supply management) and sustainable supply chain management. In order to make this analysis, they have conducted a series of interviews through face-to-face interviews and e-mail surveys. Respondents were people who had working experience and knowledge in FMCG industry.

In the article authors have presented four hypotheses that were set for the study: strong relationships between sustainable chain management and

1. Cost reduction,
2. Brand image,
3. Legal compliance,
4. Environmental friendly supply management.

Hypotheses were tested with the help of SEM (structural equation modelling), exploratory analysis. In conclusion, authors have found out that there is a direct relationship of eco-friendly packaging and development of more sustainable supply chain management.

Ali and Zalavadia (2018)²⁶ measured the impact of reverse logistics performance indicators on sustainability performance in FMCG industries. Performance indicators were cost, efficiency, time quality, waste. Sustainable performances were economic, social, environmental indicators. The data was collated through 116 online surveys, conducted via LinkedIn. The survey consisted of 18 questions designed to gather information regarding the reverse logistics operations in FMCG industry. For the purpose of this research, surveys were distributed to professionals in reverse logistics processes working at FMCG-companies.

²⁵ Wong Ker Xin, Yap Kar Sen, and Salini Devi Rajendran. A study on the benefits of eco-friendly packaging on sustainable supply chain management in fast moving consumer goods industry/ UCSI University/2019

²⁶ Ali, A. H., Zalavadia, S., Barakat, M. R., & Eid, A. The role of sustainability in reverse logistics for returns and recycling/ Archives of Business Research, 6(7), 2018

Authors have concluded that reverse logistics performance indicators have a significant positive impact on environmental performance, except for waste. What is more, economic performance is positively influenced by only recycling efficiency and quality. In the end, authors have found that only recycling efficiency can positively influence social performance.

The results of this article are applicable for the development of implementing sustainability in reverse logistics. What is more, it provides companies with the guidance to apply sustainability in reverse logistics.

Whelan and Zappa (2017)²⁷ have found out that sustainable business can be cost-efficient. They believe that sustainable and deforestation-free practice create additional financial benefits for all parties of the industrial value chain.

Authors have conducted a research on the example of the Brazilian beef industry. This country is the second largest beef producer and consumer. While this industry makes more than 5 % of the country's GDP, it has negative consequences on its environment. Authors have found that implementation of the Brazilian government embedded sustainability improved financial performance of the industry too. There mediating factors were innovations, risk reduction, customer and supplier loyalty, competitive advantage, reduced cost of capital, and improved marketing and sales. Government focused on deforestation, water management, soil conservation, reduction wastes. All in all, these improvements positively influenced on financial indicators of the industry. This research could be an educational example for FMCG companies and for countries where these companies operate. Similar practices, that could improve financial performance, must be identified for this industry.

Now, let's compare different theoretical frameworks about business sustainability strategies, that we analyzed in our research. These are six main theories, that are relevant for the topic. The table highlights main advantages and disadvantages of each theory regarding our research.

Table 1. Comparison of key theories about sustainable business strategies

Name of the theory	Author/source	Main idea	Advantages	Disadvantages
Companies' division based on their	Lubin and Esty	Authors have also created a system of companies' division into four groups, depending on their	To elaborate successful sustainable strategies, companies should make shifts	Sustainability megatrends are so important that if companies do not

²⁷ Whelan T., Zappa B., Zeidan R., Fishbein G.. How to quantify sustainability's impact on your bottom line/ Harvard Business Review, September 2017

sustainability value creation		sustainability value creation and execution capabilities.	in 5 important areas. In these areas companies implement not tactical, but strategic and systematic changes.	take them into account they cannot success on the market in the long run
Five stages of sustainable organization	Nidumolu, Prahalad and Rangaswami	In order to become sustainable, authors advice for organizations to go through five stages: <ul style="list-style-type: none"> • stage 1- viewing compliance as opportunity, • stage 2 – making value chains sustainable, • stage 3 – designing sustainable products and services, • stage 4 – developing new business models, • stage 5 – creating next-practice platforms. 	The main benefit from becoming environment-friendly organization is that it lowers costs.	Traditional approaches of business will vanish, and companies will have to develop innovative strategies. While innovations are strongly correlated to sustainability.
Typology of the different levels of sustainability	Dyllick and Muff	In order to distinguish different companies with different level of sustainability, authors propose the typology, that ranges from Business Sustainability 1.0 (Refined Shareholder Value Management) to Business Sustainability 2.0 (Managing for the Triple Bottom Line) and to Business Sustainability 3.0 (True Sustainability) .	Each business sustainable typology has its peculiarities in terms of concerns, value created and organizational perspective. If companies would like to take into consideration sustainability concerns, then long-term issues must have equal attention as short-term ones.	Nowadays more and more companies claim to be sustainable, but not all companies are able to manage really sustainable strategy.
Five stages of corporate sustainability	Landrum	Landrum’s model includes five stages of corporate sustainability: <ol style="list-style-type: none"> 1. Compliance (very weak sustainability) 2. Business-centered (weak sustainability) 3. Systemic (intermediate sustainability) 4. Regenerative (strong sustainability) 5. Coevolutionary (very strong sustainability) 	Model can help corporations to understand the paradigm shift, that is essential to achieve a sustainable society. This model can move us from economically-oriented worldviews, based on the business cases for sustainability, towards a worldview of sustainable future.	While companies are adopting sustainability more and more, the environments suffer even more. It could be explained by the paradox caused by misunderstanding of environmental problems and their solutions.
Triple layer business model canvas (TLBMC) .	Joyce and Raquin	The TLBMC have expanded the economic-centered approach to a standard business model by developing and integrating environmental and social canvas layers built from lifecycle and	The TLBMC extends original business model canvas by two layers – environmental and social. This approach allows us to understand how	Sometimes it is difficult to fell in all boxes in the TLBMC model and compare different layers with each other.

		stakeholder perspectives into an extended business model canvas.	companies operate, generating value in economic, environmental and social spheres	
Sustainable business models (SBM) archetypes	Bocken, Short, Rana and Evans	SBM archetypes describe groupings of mechanisms and solutions, that will help to build business model for sustainability. The archetypes are “maximize material and energy efficiency”, “create value from ‘waste’ “, “substitute with renewables and natural processes”, “deliver functionality rather than ownership”, “adopt a stewardship role”, “encourage sufficiency”, “re-purpose the business for society/ environment” and “develop scale-up solutions”.	The main goal of these archetypes is to elaborate common tool for analysis of sustainable business models.	It is difficult to allocate specific organization to the archetype. Some organizations can be allocated to several archetypes.

After the analysis of these six theories we have decided to focus on three the most suitable ones:

- five stages of sustainable organization (Nidumolu, Prahalad and Rangaswami)
- typology of the different levels of sustainability (Dyllick and Muff)
- five stages of corporate sustainability (Landrum)

Each of these theories includes deep analysis of business sustainable strategies of the company and gives us an opportunity to compare companies with each other, giving them points depending on their level of development in each of the theory. In our research we would like to combine different aspects of these theories in order to analyze Unilever’ and L’Oréal’s business sustainability strategies. We will use our own system of evaluation of the level of business sustainability of the companies, based on these theories.

CHAPTER 2. RESEARCH METHODOLOGY FOR THE TRANSFORMATION OF BUSINESS SUSTAINABILITY STRATEGIES' ANALYSIS

2.1. Methodology for empirical study

For the following research, we decided to focus on qualitative method of data collection and analysis.

We collected and analyzed data in two steps. Firstly, we collected secondary data about the companies and their existing business sustainability strategies. Secondly, we collected primary data in cooperation with the companies (Unilever and L'Oréal) themselves.

The second step was done in a form of qualitative research, that was based on non-numeric data. The main purpose was find new information and causal relationships in the sphere. Our choice was to conduct interviews with employees/ managers of the FMCG industry. They are managers of different levels, connected with sustainable development of the companies.

The combination of these two steps of the research could be explained by the multi-level of the analysis of sustainable transformation. We fact that we investigated macro and micro-levels of this transformation, that required different methods of analysis. What is more, in order to achieve our main goal, it was crucial to analyze opinions of managers of FMCG companies. This full picture was achieved by the combination of the mentioned methods and types of the research.

2.2. Data collection

The data was collected with the help of different data bases and personal communication.

As for secondary data, we used relevant data bases, journals, studies that are important for the understanding of business sustainability strategies transformation.

As for interviews with managers, we conducted online semi-structured interviews. These method of data collection allowed us to get the understanding of sustainability and its perception among high circles of the firms.

The interview included the following questions:

1. Tell me, please, about your position and how do you related to the sustainable development in your company?
2. Do you have business sustainability strategy in your company?
3. Is this business sustainability strategy independent (functional) or is it a part of the whole business strategy of your company?
4. How can you describe business sustainability strategy in your company? Can you name its main characteristics?
5. We know about the target that your company has set in its sustainability plan (L'Oréal – Sharing Beauty with all), did your company achieved these targets?
6. What lessons did you and your company learn from this sphere after 2010-2020? What can be done better in 2010-2020?
7. How did Covid-19 influenced the transformation of business sustainability strategy?
8. What are the main risks for your company during the transformation of your business sustainability strategy?
9. What are the plans of the company in terms of business sustainability strategy in 2021 and further?
10. Do you think that your company has enough resources in order to develop business sustainable strategy in the future?
11. What drives your company to develop business sustainability strategy?

For our research we communicated with key top-managers, who are in charge of sustainable business strategies in Unilever and L'Oréal companies. Each of the interview was around 1 hour long and were conducted via Microsoft Teams.

2.3. Results

As a results, we gained information about the transformation of sustainability on macro- and micro-level in the FMCG industry. This data was our base for the elaboration of key recommendations for business sustainability strategy transformation.

These recommendations were based on key lessons of Unilever and L'Oréal companies from their business sustainability strategies performance in 2010 – 2020, analysis of reasons

of these results and key recommendations for each of the company. Also, analysis of companies' activity during Covid-19 and evaluation of new business sustainability strategies from 2021 were examined for our research.

All in all, this research gave us understanding of the business sustainability strategies transformation on macro- and micro-levels and help to elaborate key recommendations for other companies in FMCG industry.

CHAPTER 3. RESULTS OF THE ANALYSIS AND DISCUSSIONS WITH UNILEVER

3.1. Results of the data analysis of the Unilever

Unilever is an Anglo-Dutch multinational FMCG company, that was founded in 1929. This company has a huge variety of different products — food, beauty, personal care, health care and so on. It is important to mention that Unilever's products are present in around 190 countries around the world. What is more, Unilever has more than 400 brands, among those are Axe, Dove, Knorr, Magnum, Rexona and others. Unilever has more than 149 thousand employees worldwide, so the company is really global with a global goal.

The company consists of three main divisions. The first is “Food and Beverages”. The second is “Home Care”. And the last is “Beauty and Personal Care. What is more, Unilever's turnover in 2020 was 51 billion euros, 58% is from emerging markets²⁸.

As for the sustainable strategy of Unilever, it is important to mention that Unilever positions itself as a sustainable company. Among the main company's goals there is “to make a sustainable quality of life available to everyone”. For Unilever people are the main value. It is shown in how the company appreciate its customers and employees. It is the best employer for recent graduates in 54 countries. Also, Unilever is well-known in gender equality. Among its managerial employees there is 50/50 ratio among female and male managers. If we talk about ecological part of sustainable strategy, Unilever also has many achievements. Since 2010, the company has helped to improve hygiene and health for 1.3 billion people in the world²⁹.

What is more, in 2019 Unilever has initiative a creation of the “Green brands league” — responsible producers' movement, that unites brands with sustainable business. One of the main goals of the movement is to create criteria for “green” goods that are understandable for producers and consumers, which will become the basis for future national eco-certification and will help to form a large-scale space for sustainable development, with a new consciousness of people³⁰. To join the League, companies are encouraged to go through a “self-identification procedure” — that is, fill out a questionnaire with minimum self-assessment parameters for

²⁸ Unilever official website/

URL: www.unilever.ru

²⁹ Unilever strategy and goals/

URL: <https://www.unilever.com/planet-and-society/health-and-wellbeing/strategy-and-goals/>

³⁰ Green brands league, official website

URL: <https://greenbrands.ru/o-lige-zelenyh-brendov>

“green” brands. The League's environmental, social and governance criteria determine whether companies meet sustainability standards. The second part of the brand self-assessment methodology was published by the League in March 2020. The criteria were developed by the specialists of the consulting company Deloitte based on the Sustainable Development Goals, the Global Reporting Initiative standards, as well as the international ratings of RobecoSAM, EcoVadis and others³¹.

In order to trace the progress of the company from 2010 to 2020 Unilever has elaborated “Unilever Sustainable Living plan 2010 to 2020”. The main idea of this plan was to trace changes in Unilever’s contribution to its purpose “to make sustainable living commonplace”. The plan was conducted in several spheres: health and hygiene, water, fairness in the workplace, nutrition, waste and packaging, opportunities for women, greenhouse gases, sustainable sourcing, inclusive business. Each sphere is connected to specific SDGs (sustainable development goals), evaluated by the company and there are lessons learnt from each of them for the future implementation. The evaluation of each of the sphere was conducted by four levels of performance: achieved by target date, target ongoing, target nearly achieved, target not achieved³².

Table 2. Unilever Sustainable Plan 2010-2020, main targets and results

Sphere	Target	Description	Outcome	Level of performance
Health and hygiene	Reduce diarrhoeal and respiratory disease through handwashing	With the promotion of the handwashing the company plans to change the hygiene behavior of 1 billion consumers in Asia, Africa and Latin America by 2020	Unilever achieved their target earlier in 2018, reaching 1 billion people. By 2020, they reached 1.07 billion people: 486 million people through on-ground programs and 587 million through TV commercials	Achieved by target date
	Provide safe drinking water	Unilever targets to provide 150 billion liters of safe drinking water by 2020 through titts water purifiers	They provided only over 121 billion liters of safe drinking water by 2020	Target not achieved
	Improve access to sanitation	By 2020 the company will help 25 million people gain access to a toilet with the help of promotion of the benefits of using clean toilets and by making toilets accessible	We achieved our target in 2019. In 2012-2020, They helped over 29 million people gain improved access to a toilet	Achieved by target date

³¹ Green brands league, Platform 1, official website

URL: <https://plus-one.ru/sustainability/liga-zelenyh-breidov>

³² Unilever Sustainable Living Plan 2010 to 2020. Summary of 10 years’ progress/ March 2021

	Improve oral health	Unilever will use their toothpaste and toothbrush brands and oral health improvement programs to encourage children and their parents to brush day and night. They aim to reach 50 million people by 2020 by these initiatives.	They achieved their target early. Already in 2020 they had reached over 107 million people.	Achieved by target date
	Improve self-esteem	With Dove brand Unilever company helps millions of young people to build up positive body confidence and self-esteem through educational programs (ex. Show Us program). By 2015 Unilever aimed to help 15 million young people. In 2016 they extended their target to help 20 million young people additionally – to reach a total of 40 million by 2020.	They achieved our 2015 and 2020 targets early. By 2020, they reached over 69 million young people in total.	Achieved by target date
	Help improve skin healing	Unilever created the Vaseline® Healing Project to cooperate with the humanitarian organization Direct Relief. Through this project, they aim to help heal the skin of 5 million people by 2020.	We achieved our target a year early. By 2020, they had reached over 6 million people.	Achieved by target date
Nutrition	Reduce salt levels	Their first target was to reduce salt levels to 6 g per day by the end of 2010. In 2010, we stated that our ambition was to reduce salt by a further 15–20% on average, to meet the target of not more than 5 g salt per day. In 2013, they clarified their commitment, by 2020, 75% of their Foods portfolio will meet salt levels to enable intakes of 5 g per day.	In 2020, 77% of our Foods portfolio was compliant with the 5 g target.	Achieved by target date
	Reduce saturated fat Reduce saturated fat	They should improve the fat composition of our products by reducing saturated fat as much as possible and increasing levels of essential fats. By 2012, their leading spreads	By 2012, 92% of our leading spreads by volume contained less than 33% saturated fat as a proportion of total fat.	Target nearly achieved

		will contain less than 33% saturated fat as a proportion of total fat.		
		A daily portion will provide at least 15% of the essential fatty acids recommended by international dietary guidelines.	By 2012, 92% of our leading spreads by volume provided at least 15% of the essential fatty acids recommended by international guidelines.	Target nearly achieved
		By 2017, 90% of their complete global portfolio of soft vegetable oil spreads will contain no more than 33% fat as saturated fat and at least 67% as good unsaturated fat. In tropical areas the maximum saturated fat content will be set at 38%, as a slightly higher saturated fat level is required to maintain stability of the spreads.	By 2017, 80% of their global portfolio of soft vegetable oil spreads contained no more than 33% saturated fat and at least 67% good unsaturated fat.	Target not achieved
	Remove trans fat	By 2012, Unilever will have removed from all their products any trans fats originating from partially hydrogenated vegetable oil.	By 2012, 100% of their portfolio by volume did not contain trans fats originating from partially hydrogenated vegetable oil	Achieved by target date
	Reduce sugar	Prior to 2010, Unilever had already reduced sugar levels in our ready – to – drink teas. By 2020, they will remove an additional 25% sugar in ready-to-drink teas. In 2014, the company extended this target to include powdered ice tea and milk tea products.	By 2020, the company reached 23% sugar reduction across all their sweetened tea-based beverages.	Target nearly achieved
	Reduce calories	By 2014, 100% of our children’s ice creams will contain 110 kilocalories or fewer per portion. 60% will meet this level by 2012	100% of our children’s ice creams have contained 110 kilocalories or fewer per portion since 2014.	Achieved by target date
		By 2015, 80% of our packaged ice cream products will not exceed 250 kilocalories per portion.	91% of their packaged ice cream by volume have contained 250 kilocalories or fewer per portion since 2015. In 2020 the company had extended this to 93% of their ice creams.	Achieved by target date
	Provide healthy eating information	Their aim is to provide clear, simple labelling on their products to help people make choices for a nutritionally balanced diet.	86% of their portfolio had full nutrition labelling on pack in line with their commitment by the end of 2015. By 2020, they	Target not achieved

		<p>By 2015, this will be extended to cover all products globally. Unilever will include energy per portion on the front of pack, plus eight key nutrients and % Guideline Daily Amounts (GDA) for five nutrients on the back of pack.</p> <p>Their targets will respect local or regional industry agreements as well as the law in each market.</p>	had reached 99.7%.	
Greenhouse gases	Become carbon positive in manufacturing	<p>By 2020 CO2 emissions from energy from Unilever's factories will be at or below 2008 levels despite significantly higher volumes (equivalent to a reduction of around 40% per ton of production measured against a baseline of 145.92 kg of CO2 emissions from energy use per ton of production in 2008).</p>	<p>Unilever achieved its target in 2016. By the end of 2020, the company had reduced CO2 from energy by 75% versus 2008, to 36.94 of CO2 from energy in kg per tons of production. This is 2,068,484 fewer tons than in 2008.</p>	Achieved by target date
		<p>Unilever will source 100% of their energy across their operations from renewable sources by 2030.</p>	<p>In 2020, 51.9% of our total energy use in their manufacturing operations were generated from renewable resources, compared to 15.8% in 2008.</p>	Target ongoing
		<p>The company will source all our electricity purchased from the grid from renewable sources by 2020.</p>	<p>100% of all grid electricity used in their manufacturing operations was generated from renewable resources.</p>	Achieved by target date
		<p>They will eliminate coal from their energy mix by 2020.</p>	<p>In 2020, 734,758 GJ of the energy used in their manufacturing was generated from coal. At the end of our 2020 reporting period (1 October 2019 – 30 September 2020), nine out of Unilever 290 manufacturing sites used energy generated from coal.</p>	Target nearly achieved
		<p>In order to achieve their target of carbon positive by 2030, they intend to directly support the generation of more renewable</p>	<p>We are focusing on sourcing 100% of our energy across their operations from renewable sources and supporting the development of local renewable energy markets.</p>	Target not achieved.

		energy than Unilever consumes and makes the surplus available to the markets and communities in which the company operates.		
	Reduce greenhouse gas emissions from washing clothes	Reformulating their products to reduce greenhouse gas emissions by 15% by 2012.	Over 95% (by volume) of Unilever's laundry powders in its top 14 countries were reformulated, resulting in a reduction of 15% in greenhouse gas emissions by end 2012.	Achieved by target date
	Reduce greenhouse gas emissions from transport	By 2020, CO2 emissions from their global logistics network will be at or below 2010 levels despite significantly higher volumes. This will represent a 40% improvement in CO2 efficiency. Unilever will achieve this by reducing truck mileage; using lower emission vehicles; employing alternative transport such as rail or ship; and improving the energy efficiency of their warehouses.	43% improvement in CO2 efficiency since 2010.	Achieved by target date
	Reduce greenhouse gas emissions from refrigeration	As the world's largest producer of ice cream, Unilever will accelerate its roll-out of freezer cabinets that use climate-friendly natural (hydrocarbon) refrigerants. Unilever will purchase a further 850,000 units by 2015.	In 2013 the company exceeded our target of purchasing 850,000 climate-friendly freezers, reaching a total of around 1.5 million. In 2018 its total increased to around 2.9 million hydrocarbon freezers.	Achieved by target date
	Reduce energy consumption in our offices	By 2020 Unilever will halve the energy (kWh) purchased per occupant for the offices in our top 21 countries versus 2010.	56.5% reduction in energy (kWh) purchased per occupant since 2010.	Achieved by target date
	Reduce employee travel	The company is investing in advanced video conferencing facilities to make communication easier while reducing travel for its employees. By 2011 this network will cover more than 30 countries.	54 countries were covered by end 2011.	Achieved by target date
Water	Reduce water abstracted by manufacturing sites	By 2020, water abstraction by its global factory network	The company achieved our target in 2018. By the end of 2020, they had	Achieved by target date

		will be at or below 2008 levels, despite significantly higher volumes (equivalent to a reduction of around 40% per ton of production measured against a baseline of 2.97 m3 of water abstracted per ton of production in 2008).	reduced water abstraction by 49% per ton of production versus 2008, to 1.52 m3 of water abstracted per ton of production. This is 27.1 million fewer cubic meters of water than in 2008.	
	Reduce water use in the laundry process	Unilever will reduce the water required in the laundry process by providing 50 million households in water-scarce countries with laundry products that deliver excellent results but use less water by 2020.	In 2016, One Rinse products were used in 4.9 billion washes in over 59 million households worldwide.	Achieved by target date
	Reduce water use in agriculture	Unilever will develop comprehensive plans with its suppliers and partners to reduce the water used to grow our crops in water scarce countries.	Water management is an integral part of our Sustainable Agriculture Code. Close to 100% of Unilever vegetable suppliers, including tomato suppliers, now comply with our Code. Almost all, when using irrigation, have water management plans in place and report on water used in irrigation.	Achieved by target date
Waste and packaging	Reduce waste from manufacturing	By 2020 total waste sent for disposal will be at or below 2008 levels despite significantly higher volumes (equivalent to a reduction of around 40% per ton of production measured against a baseline of 7.91 kg of total waste disposed per ton of production in 2008).	The company achieved our target in 2012. By the end of 2020 it had reduced waste sent for disposal by 96% per ton of production versus 2008, to 0.34 kg of total waste disposed per ton of production. This is 144,428 fewer tons of total waste than in 2008.	Achieved by target date
		By 2015 all manufacturing sites will achieve zero nonhazardous waste to landfill.	We achieved zero non-hazardous waste to landfill across our global factory network by the end 2014 and maintained this in every subsequent year, including in 2020.	Achieved by target date
	Reusable, recyclable or compostable plastic packaging	By 2025 all of Unilever plastic packaging will be designed to be fully reusable, recyclable or compostable.	52% of Unilever plastic packaging was reusable, recyclable or compostable, in practice and at scale (i.e. actual recyclability) in 2020.	Target ongoing

	Reduce packaging	By 2020 the company will reduce the weight of packaging that we use by one-third through: <ul style="list-style-type: none"> • light weighting materials • optimizing structural and material design • developing concentrated versions of our products • eliminating unnecessary packaging 	The weight of Unilever's packaging (per consumer use) has decreased by 18% since 2010.	Target not achieved
	Recycle packaging	Working in partnership with industry, governments and NGOs, Unilever company aims to increase recycling and recovery rates on average by 5% by 2015 and by 15% by 2020 in its top 14 countries. For some this means doubling or even tripling existing recycling rates. Unilever will make it easier for consumers to recycle its packaging by using materials that best fit the end-of-life treatment facilities available in their countries.	Around 11% increase in recycling and recovery rates in 2020, over the 2010 average Recycling and Recovery Index (RRI), across our top 14 countries.	Target not achieved
		By 2025 the company will increase the recycled plastic material content in its packaging to 25%. This will act as a catalyst to increase recycling rates.	Approximately 11% (76,000 tons) of our total plastic packaging footprint consisted of recycled plastic in 2020.	Target ongoing
	Tackle sachet waste	Unilever goal is to develop and implement a sustainable business model for handling our sachet waste streams by 2015.	Progress has been slower than the company originally anticipated, But it is continuing to investigate the potential of new business models, materials and technologies to reduce its dependence on multi-layer sachets.	Target not achieved
	Eliminate PVC	The company will eliminate PVC from all packaging by 2012 (where technical solutions exist).	99% of PVC packaging removed from Unilever portfolio by end 2012.	Target nearly achieved
	Reduce office waste	In our top 21 countries, at least 90% of our office waste will	100% of our office waste was reused, recycled or	Achieved by target date

		be reused, recycled or recovered by 2015 and we will send zero waste to landfill by 2017.	recovered and we sent zero waste to landfill in our top 21 countries in 2017.	
		By 2015 we will reduce paper consumption by 30% per head in our top 21 countries.	We achieved our target in 2013 with paper consumed per occupant 37% lower than 2010.	Achieved by target date
		We will eliminate paper in our invoicing, goods receipt, purchase order processes, financial reporting and employee expense processing by 2015, where legally allowable and technically possible.	By 2015, 73% of our in-scope Business and Finance Services processes were completed electronically.	Target is not achieved
Sustainable sourcing	Sustainable palm oil	We will purchase all palm oil from physically certified sustainable sources by 2019.	95% of our palm oil volumes were from physically certified sustainable sources by 2019.20 In addition, we sourced over 4.5% of our volumes through independent smallholder certificates to reach a total of 99.5% palm oil volumes sustainably sourced. By the end of 2020, 94.3% of our palm oil volumes were from physically certified sources, with a further 5.3% through independent smallholder certificates to reach a total of 99.6% palm oil volumes sustainably sourced.	Target nearly achieved
	Sustainable paper and board	We will source 75% of the paper and board for our packaging from certified sustainably managed forests or from recycled material by 2015. We will reach 100% by 2020.	96% of our paper and board came from certified sustainably managed forests or from recycled materials by the end of 2020.	Target nearly achieved
	Sustainable soy	We will source sustainably all soy beans by 2014 and all soy oils by 2020.	100% soy beans purchased from sustainable sources by the end of 2014	Achieved by target date
			100% soy oil was from sustainable sources by the end of 2020.	Achieved by target date

	Sustainable tea	By 2015 we aim to have the tea in all Lipton tea bags sourced from Rainforest Alliance Certified™ estates.	Since 2015, 100% of the tea in our Lipton tea bag blends has come from Rainforest Alliance Certified™ sources.	Achieved by target date
		By 2020, 100% of Unilever's tea, including loose tea, will be sustainably sourced.	86% of tea was from sustainable sources by the end of 2020: 64% was Rainforest Alliance Certified™ and 22% was verified.	Target not achieved
	Sustainable fruit and vegetables	The company will purchase 100% of our fruit from sustainable sources by 2015.	30% of its fruit was from sustainable sources by the end of 2020. This was down from 67% in the previous year in line with its strategy to focus on priority crops.	Target not achieved
		Unilever will purchase 50% of our top 13 vegetables and herbs from sustainable sources by 2012 and 100% by 2015. This accounts for over 80% of our global vegetable and herb volume.	95% of our top 13 vegetables and herbs were from sustainable sources by the end of 2020.	Target nearly achieved
	Sustainable cocoa	The company will source cocoa sustainably for its Magnum ice cream by 2015. All other cocoa will be sourced sustainably by 2020.	98% of cocoa for Magnum was sustainably sourced through Rainforest Alliance certification by the end of 2015. Unilever reached 99% sustainable sourcing of cocoa for Magnum by the end of 2020. 100% of all other cocoa was sourced sustainably by the end of 2020.	Achieved by target date
	Sustainable sugar	Unilever will source all sugar sustainably by 2020.	100% of sugar was sustainably sourced by the end of 2020.	Achieved by target date
	Sustainable sunflower oil	The company will source all sunflower oil sustainably by 2020.	25% of sunflower oil was sustainably sourced by the end of 2020, in line with its strategy to focus on priority crops.	Target is not achieved
	Sustainable rapeseed oil	The company will source all rapeseed oil sustainably by 2020	98% of rapeseed oil was sustainably sourced by the end of 2020.	Target is nearly achieved
	Sustainable dairy	Unilever will source all dairy produce sustainably by 2020.	79% of dairy produce was sustainably sourced by the end of 2020.	Target is not achieved

	Fairtrade Ben & Jerry's	All flavours of Ben & Jerry's ice cream will be Fairtrade certified by 2013.	77% of Ben & Jerry's ice cream flavours achieved Fairtrade certification in 2013. We reached 100% in 2014.	Target is not achieved
	Cage-free eggs	They aim to move to 100% cage-free eggs for all our products, including Ben & Jerry's ice cream and Hellmann's, Amora and Calvé mayonnaises.	68% of eggs were cage-free by the end of 2020.	Target is not achieved
	Sustainable sourcing of office materials	By 2013 they will source all paper-based office materials for its top 21 countries from either certified sustainable forests or recycled sources.	100% of paper-based materials were from certified sustainable forests or recycled sources by end 2013.	Target is not achieved
Fairness in the workplace	Implement UN Guiding Principles on Business and Human Rights	The company will implement the UN Guiding Principles on Business and Human Rights throughout our operations and report on progress publicly.	In 2020, the company carried out a series of activities to continue embedding the UN Guiding Principles on Business & Human Rights throughout our operations.	Achieved by target date
	Source 100% of procurement spend in line with our Responsible Sourcing Policy	Unilever will source 100% of our procurement spend through suppliers who commit to promote fundamental human rights as specified in our Responsible Sourcing Policy.	83% of procurement spend through suppliers meeting the Mandatory Requirements of its Responsible Sourcing Policy in 2020.	Target is not achieved
	Create a framework for fair compensation	Unilever will create a framework for fair compensation, starting with an analysis in 180 countries by 2015. The company will work with external organizations, including its social partners, referring to approaches such as living wage methodologies.	The company achieved its target in 2015 when they created the Framework for Fair Compensation.	Achieved by target date
	Improve employee health, nutrition and wellbeing	Unilever Lamplighter employee program aims to improve the nutrition, fitness and mental resilience of employees. By 2010 it had already been implemented in 30 countries, reaching 35,000 people. In 2011 the company aimed to extend the reach of Lamplighter to a further eight countries. They will implement	Unilever achieved our target early. The Lamplighter program reached 91,000 employees in 70 countries by 2014 and since then they've continued to offer support to employees through the program.	Achieved by target date
			In 2015 they completed the two-year roll-out of their new module for mental wellbeing and established a global	Achieved by target date

		Lamplighter in an additional 30 countries between 2012 and 2015. Unilever longer-term goal is to extend it to all the countries where the company operates with over 100 people.	steering committee to monitor progress.	
	Reduce workplace injuries and accidents	They aim for zero workplace injuries. By 2020 they will reduce the Total Recordable Frequency Rate (TRFR) for accidents in their factories and offices by 50% versus 2008.	70% reduction in TRFR achieved by 2020, down to 0.63 accidents per 1 million hours worked, compared to 2.10 in 2008.	Achieved by target date
Opportunities for women	Build a gender-balanced organization with a focus on management	Unilever will build a gender-balanced organization with a focus on management.	The company achieved gender balance in management one year early. The percentage of women managers in Unilever was 50% in 2020.	Achieved by target date
	Promote safety for women in communities where we operate	The company will promote safety for women in the communities where we operate.	By 2020, we had enabled around 11,400 women to access initiatives that aimed to promote their safety.	Achieved by target date
	Enhance access to training & skills	We will enhance access to training and skills across Unilever value chain.	By 2020, the company had enabled 2.45 million women to access initiatives aiming to develop their skills.	Target not achieved
	Expand opportunities in our retail value chain	Unilever will expand opportunities for women in our retail value chain.	They had enabled around 168,500 women to access initiatives aiming to expand their opportunities in our retail value chain by the end of 2020.	Target is achieved
		The company will increase the number of Shakti entrepreneurs that they recruit, train and employ from 45,000 in 2010 to 75,000 in 2015.	70,000 Shakti micro-entrepreneurs were selling Unilever products in India by end 2015. By the end of 2020 this had expanded to 131,000.	Target nearly achieved
Inclusive business	Improve livelihoods of smallholder farmers	Unilever's goal is to engage with at least 500,000 smallholder farmers in its supply network. The company will help them improve their agricultural practices, and thus enable them to become more competitive. By doing so, they will improve the quality of their livelihoods.	By 2020, the company had enabled around 832,000 smallholder farmers to access initiatives aiming to improve their agricultural practices.	Achieved by target date

	Improve incomes of small-scale retailers	Unilever will create and improve the incomes of 5 million small-scale retailers in our distribution network.	Between 2015 and 2020 we enabled around 1.83 million small-scale retailers in our distribution network to access our initiatives with the aim of growing their incomes.	Target not achieved
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Unilever Sustainable Living Plan from 2010 to 2020 is a great example of business sustainability plan, that FMCG company can implement and trace thought the chosen period. All in all, from 2010 to 2020 Unilever performed really well, most of the targets were achieved. Analysis of key learnings and their reasons are examined in the second subchapter.

Now, we are moving to the analysis of the company's performance during Covid-19. Unilever made a lot in order to help those who are in need and help society to fight pandemic. In 2020 Unilever offered the authorities of Moscow and St. Petersburg a donated amount of Domestos infectious agents for basic infectious diseases hospitals³³. More than 30 tons of Domestos production were distributed to schools. This humanitarian action helped many of school to prevent coronavirus spread among pupils. Unilever was among the first big companies who in 2020 started to produce sanitizers to fight Covid-19 spread. It has launched an antibacterial gel in Russia under the “Silky Hands” (Бархатные ручки) trademark³⁴. Brand Dove released an international and local video “Courage is beautiful”, supporting medical staff and doctors who fight Covid-19 and protect our population. As a part of that campaign Dove in Russia has donated products worth of over 9 million rubles to date to support efforts to combat COVID-19³⁵. Together with Dove, Dove Men + Care, Baby Dove, Unilever is caring for and supporting healthcare professionals in every possible way during the pandemic. Another brand “Lesnoy Balzam” donated its products costed more than 9 million rubles (more than 50 000 of mouthwashes) to hospitals in the end of 2020. It was done because a study by Unilever demonstrates that the company's mouthwash formulation containing 0.07% CPC

³³ Unilever предложил бесплатно поставить Domestos в больницы Москвы и Петербурга, Коммерсантъ/ 18.03.2020

URL: <https://www.kommersant.ru/doc/4292684>

³⁴ Unilever заявила о запуске производства антисептика под Тулой, 8 апреля 2020

URL: <https://iz.ru/997181/2020-04-08/unilever-zaiavila-o-zapuske-proizvodstva-antiseptika-pod-tuloj>

³⁵ Dove “Take care of yourself: how we care for doctors and families”/

URL: <https://www.dove.com/ru/stories/about-dove/take-care-be-safe.html>

(Cetyl Pyridinium Chloride) suppresses the activity of the SARS-CoV-2 virus strain by 99.9%³⁶.

Since 2021 Unilever has a new sustainable strategy plan. The core idea of this strategy is “to make sustainable living commonplace”. This idea is the base for Unilever’s “Compass Strategy”³⁷. The vision of the company is to become a global leader in sustainable business. In order to realize this vision, company follow three rules – “brands with purpose grow”, “companies with purpose last”, “people with purpose thrive”. What is more, the company has created a multi-stakeholder model”. It consists of customers, consumers, suppliers & business partners, society, planet and shareholders. The implementation of this plan of the company is still in process, so we will be able to analyze its results in several years.

For our primary data research, we were able to contact and cooperate with the representative of the Unilever company — Anastasia Novak, Communications & Sustainable Business Manager in Unilever Russia, Ukraine and Belarus. Previously, Anastasia worked in different agencies as team leader and account manager and worked with Unilever and its brands. She was connected to the sustainability topic, because she organized different events and evaluate, prepare various campaigns and projects connected with it at her previous jobs. What is more, Anastasia has personal interest in this field and is passionate about sustainability, garbage separation system and ecology. Anastasia shared with us her view on sustainability in Unilever and insights about this topic (for the full interview Q&A see appendix 7).

All in all, Anastasia confirmed that Unilever has a big success in terms of its sustainability plan implementation. Many goals were achieved such as alternative sources of energy at all Unilever’s plants and factories, new packaging requirements and many others. Each region contributes to the Unilever’s goals. Some goals’ KPI were not achieved because they needed cooperation of all stakeholders and actors (such as government, consumers, partners) in many regions where the company is operating. These not achieved or partly achieved goals commitments are reformulated taking into account lessons from USLP and are

³⁶ Unilever выявил эффективность формулы ополаскивателя для полости рта «Лесной бальзам» в подавлении активности штамма вируса SARS-CoV-2 на 99,9%/ Unilever news, 18.11.2020
URL: <https://www.unilever.ru/news/press-releases/2020/unilever-reveals-formula-effectiveness-mouthwash-forest-balsam.html>

³⁷ Unilever Compass/
URL: <https://assets.unilever.com/files/92ui5egz/production/9a05104f74cda624c168b7898090b04ae6508926.pdf/Compass-Strategy.pdf>

adapted to Unilever's Compass plan. For example, these goals are "sustainable ingredients in Unilever products" and "cooperation with small retailers".

As for the lessons learnt during the USLP realization and Unilever Compass elaboration, Anastasia pointed out that goals should be able to be achieved and the company alone cannot do it. It should cooperate with stakeholders and take into account modern changes. Also, companies should add to its brands purpose. Brands with purpose have more meaning and contribute successfully to business sustainability strategy' realization. For example, in Unilever's brand "Dove" raises self-esteem of women and girls³⁸, "Domestos" helps to improve sanitation at schools³⁹, "Chistaya Liniya" helps to recover natural beauty⁴⁰ and so on. All unachieved goals were revised and included in the new Unilever Compass plan in a new version.

As for the influence of Covid-19 on Unilever, Anastasia gave us a lot information about the company's activities during these times. Many Unilever's brands in our region has participated in the campaign about the importance of hand-washing. The brand "Silky hands" elaborated a program "The power of touch is protected", inspiring and educating people about hand-washing in pandemic times. It included different challenges, recommendations and educational information on the topic⁴¹. What is more, during the pandemic Unilever helped volunteers of the project #Wearetogether (#МыВместе) and provided them with 10,000 bottles of Glorix Antibacterial Hand Gel. In total, the volunteers received 7.5 thousand liters of antiseptic⁴².

What is more, Anastasia highlighted that Unilever business as many others changed during Covid-19. People started to buy more of the company's production online. E-commerce was boosting for Unilever, so the company must adapt to these new realities. Unilever started to sell more online via Ozon, Wildberries and other huge e-players. Recently, during the Saint-

³⁸ Dove – our vision, Dove official website

URL: <https://www.dove.com/us/en/stories/about-dove/our-vision.html>

³⁹ Every Domestos provides safer toilets in schools, Unilever official website

URL: <https://www.unilever.com/brands/every-u-does-good/domestos/>

⁴⁰ Chistaya Liniya, official websit

URL: <https://www.chistaya-linia.ru/about>

⁴¹ Бархатные ручки, Сила прикосновений под защитой/

URL: <https://www.silkyhands.ru/soviet/sila-prikosnoveniy-pod-zashchitoy/>

⁴² Волонтеры акции #МыВместе получили 10 000 флаконов антисептика от компании Unilever, Волонтеры Медики

URL: <https://xn----ctbhcbtapdmikb4a2a0m.xn--p1ai/news/volonteryi-aktsii-myivmeste-poluchili-10-000-flakonov-antiseptika-ot-kompanii-unilever/>

Petersburg International Economic Forum 2021 Sber, the online retailer Samokat (part of the Sber ecosystem), and PepsiCo and Unilever have entered into an agreement on cooperation in the field of e-commerce. Exclusive products from the line of popular brands PepsiCo and Unilever will be available only for buyers of the online retailer Samokat and users of the Sberbank ecosystem⁴³.

We also talked with Anastasia about the plans of the company concerning sustainable strategy starting from 2021. New Compass plan has same great purpose — to make sustainable living commonplace. In this plan there are three main directions. The first one is to improve the health of the planet. The second is to improve people's health, confidence and wellbeing. The third one is to contribute to a fairer, more socially inclusive world⁴⁴. In order to achieve all set goals, Unilever need a lot of resources. Of course, financial resources are vital, but they are not the only ones. All sustainable target can be achieved if there are three main stakeholders – business, society and government – that are involved.

What is more, we talked more about the region, for which Anastasia is responsible for, Russia, Ukraine and Belarus. We discussed positive and negatives factors, that influence on our region in terms of its sustainable development. Anastasia highlighted that there are many regions where country government already support businesses and create sustainable infrastructure, that is a base for each business. In Europe, USA sustainable business strategies are common for businesses, society and government. While in our region we are just starting this journey. Our population is not really informed and know a lot about sustainable development goals of the millennium (UN SDGs). For us sustainable business strategies are new and are only starting to be a part of our lives. So, such companies as Unilever should inform people about the role of the sustainability in the modern world. Also, Unilever in Russia, Ukraine and Belarus always cooperate with the government about new sustainable laws.

On the other hand, Anastasia shared her view on positive aspects and potential of our region in terms of sustainable business strategies for business and their realization. The audience in Russia, Ukraine and Belarus is open for new changes and actively participate in

⁴³ Пользователи Самоката получают доступ к уникальным товарам компаний PepsiCo и Unilever, 03.06.2021

URL: <https://www.sberbank.com/ru/news-and-media/press-releases/article?newsID=68d3d89d-9b2a-44c1-ae28-07ca08f93a14&blockID=7®ionID=77&lang=ru&type=NEWS>

⁴⁴ Unilever Compass/

URL: <https://assets.unilever.com/files/92ui5egz/production/9a05104f74cda624c168b7898090b04ae6508926.pdf/Compass-Strategy.pdf>

many activities. On social media high involvement and interest from the audience is noted. In Russia there is a big trend for business cooperation for sustainable activities (systems of garbage separation, new product formulas creation etc.).

3.2. Sustainable plan recommendations, based on Unilever experience

From the analysis of the secondary and primary data, we are able to make some conclusions regarding Unilever' sustainable business strategy. First of all, let's use chosen theories for Unilever evaluation. As for the five stages of sustainable organization, Unilever is on the forth level – creating next-practice platforms. This company is among those who questions status-quo and creates new practices. For example, Unilever has created “Green brands league”, helping other companies to become sustainable. Also, Unilever creates new sustainable solutions for products, packaging and testing of its products. Speaking about the next theory, typology of the different levels of sustainability, Unilever has a Business Sustainability 2.0 (Managing for the Triple Bottom Line). The company manage its financial, social and environmental risks, thinking about people, planet and profits. And as for the five stages of corporate sustainability, Unilever has a position of the strong sustainability (regenerative). It does its business form the position of resource preservations, trying to repair and restore surrounding environment, while generating profit. All these theories and place of Unilever in them are in the table below.

Table 3. Unilever analysis with the help of main theories

Unilever	Level 1 (1 point)	Level 2 (2 points)	Level 3 (3 points)	Level 4 (4 points)	Level 5 (5 points)
Five stages of sustainable organization	Viewing compliance as opportunity	Making value chains sustainable	Designing sustainable products and services	Developing new business models	Creating next-practice platforms
Typology of the different levels of sustainability	-	Business Sustainability 1.0 (Refined Shareholder Value Management)	-	Business Sustainability 2.0 (Managing for the Triple Bottom Line)	Business Sustainability 3.0 (True Sustainability)
Five stages of corporate sustainability	Compliance (very weak sustainability)	Business-centered (weak sustainability)	Systemic (intermediate sustainability)	Regenerative (strong sustainability)	Coevolutionary (very strong sustainability)

Form our analysis of Unilever, we are able to identify key lessons for the company derived from this period (2010 -2020), its activity during Covid-19 and plans after 2021.

1. The first learning is to make sustainable living effortless. The company should be in charge of change of peoples' sustainable behaviors. Unilever should design its products to make peoples' sustainable living easy and enjoyable;

2. The second learning is that business must drive systems change. Even when the company do not produce some resources, it should lead and generate sustainable spheres. The next learning for Unilever is we should use new ways of measuring social impact. When we set our goals in the long term, we should understand that our measurements can be changed during the process of goals' development;

3. The last learning is that the company should be ready to move fast, adapting to new challenges and problems in the modern world.

Main reasons for these learning are the following. Unilever is a huge company, that has many resources for the implementation of its business sustainability strategy. Meanwhile, the size of the company and operation in more than 190 countries around the globe prevent Unilever from fast changes implementation. The company is among the leaders in FMCG sphere and must be an example for other companies in many spheres, including sustainable development. What is more, Unilever at the same time is responsible for big steps during crises and difficult times such as Covid-19 pandemic. So, the place of the company in the economy requires from it to act fast, be a leader and cooperate with people, planet and businesses.

From the analysis of Unilever company, we can conclude three main recommendations for other FMCG companies, who are willing to implement and transform business sustainable strategies.

1. The first one is to make people's lives easier with the help of your products, thinking not only about profit, but mostly about society;

2. The second is that companies are in charge of systematic changes. If companies want to be truly sustainable, they should not wait for others to wait, but must be the first ones to do so;

3. The third one is to adapt and change measurements that we set for the tracking of business sustainable activity. When the company set targets for ten years, it must adapt it to word changes and take into account new crises and trends.

CHAPTER 4. RESULTS OF THE ANALYSIS AND DISCUSSIONS WITH L'OREAL

4.1. Results of the data analysis of the L'Oréal

L'Oréal is a multi-national FMCG company, that focuses on cosmetic and personal care products. It was founded in 1909. The main mission of the company is to provide pure beauty for all types of beauty. The company consists of different brands such as L'Oréal Paris, Garnier, Maybelline New York, NYX, Essie and others. All in all, these brands belong to one of the main global brands portfolio groups – L'Oréal consumer products, L'Oréal Lux, L'Oréal professional products and L'Oréal active cosmetics⁴⁵.

L'Oréal is one of the leaders in FMCG sphere, who has implemented steps regarding sustainability problems. Since 2015 the company has reduced its CO₂ emissions by 81 %. And by 2020 L'Oréal use 100 % renewable energy on its sites and factories.

In 2013 the company has introduced its sustainable plan till 2020 called “Sharing Beauty with All”. It covered tangible targets of the company for that period. One of the core ideas in that plan was an introduction of an innovative tool – SPOT (Sustainable Product Optimizing Tool). It allowed the company to develop environmental and social performance of its products across the whole portfolio of L'Oréal brands⁴⁶.

In this sustainability program the company has set a series of tangible target in different sphere, that were allocated into four groups: innovating sustainability, producing sustainability, living sustainability and sharing growth with suppliers, employees and interacted committees. What is more, each of the target is connected to the Sustainable Development Goals of the United Nations. We can see all targets and results achieved by L'Oréal from 2013 to 2020 in the table below.

Table 4. L'Oréal, “Sharing beauty with all” plan, main targets and results

⁴⁵ L'Oréal official website/

URL: <https://www.loreal.com/en/group/>

⁴⁶ Sharing beauty with All/ The L'Oréal Sustainability Commitment/Closing report. 2013-2020

Pillar	Target	Result in 2020	Results in 2019
Innovating sustainability	100% of all company products must have an improved profile in environmental or social way. New products must be improved by minimum one of the following criteria:	96% of new/ renovated products have an improved profile (environmental or social one).	85%
	a) the new formula minimizes the environmental footprint of the product (with regard to water use);	a) 39% of new/ renovated products with the help of new formula or minimization of the environmental footprint have an improved environmental profile.	a) 46%
	b) new formula consists of renewable materials, sustainably sourced or derived from green chemistry in a sustainable way;	b) 69% of new/ renovated products with the help of new sustainable formula now have an improved environmental profile.	b) 59%
	c) the new product has a positive social impact;	c) 49% of new/ renovated products use raw materials from the Solidarity Sourcing programs and as a result have an improved social profile.	c) 40%
	d) new packaging improves environmental profile	d) 85% of new/ renovated products with the help of new packages have improved environmental profile.	d) 67%
Producing sustainability	L'Oréal company will reduce its CO2 emissions produced by its plants and distribution centers by 60% (comparing to 2005).	-81% reduction of CO2 emissions from the company's plants and distribution centers comparing to 2005.	-78%
	L'Oréal will cut the CO2 emissions connected to the transport of its products by 20% (comparing to 2011).	-24% reduction in CO2 emissions since 2011 with 434,293 tons of CO2 emitted in 2020.	- 12%
	L'Oréal will lower its water consumption by 60% (comparing to 2005).	-49% decrease in water consumption at plants and distribution centers since 2005.	- 51%
	L'Oréal will reduce its waste generation by 60% (comparing to 2005).	-37% reduction in waste generated from plants and distribution centers since 2005.	- 35%
	L'Oréal will send zero industrial waste to landfill.	The 0 waste to landfill goal for all factories and distribution centers was achieved in 2018.	
Living sustainability	L'Oréal will evaluate its products profiles using an assessment tool. The information about brands will be publicly available for consumers.	100% of new/ renovated products in 2020 were assessed using L'Oréal product assessment tool. The information about all brands is currently developing and will be finalized soon.	100%
	All brands of the company will be assessed by their environmental and social impacts.	100% of the international brands presented in 2013 have assessed their social and environmental impact. Including new L'Oréal brands since 2013, the percentage is about 89%.	99%

	Every L'Oréal brand will inform the company about its sustainability progress and raise consumer awareness of the brands' commitments.	79% of brands participated in this consumer awareness initiative.	57%
	Consumers will be able to influence L'Oréal's sustainability efforts via a consumer advisory committee.	In 2020 the company prologue its activities of cooperation with consumers about sustainability topics. Multiple studies were conducted in American, Indian and European consumer panels, allowing the company to understand consumers' expectations.	
Developing sustainability with communities	By 2020, L'Oréal will help more than 100,000 people from underprivileged communities to access jobs with the help of the following programs:	100,905 people from underprivileged communities got access to employment, using the following programs.	90,635 people
	<ul style="list-style-type: none"> • Solidarity Sourcing program; 	81,138 people found work through the Solidarity Sourcing program.	70,912 people
	<ul style="list-style-type: none"> • Professional education in the beauty sector; 	18,386 people were trained in beauty professions.	18,443 people
	<ul style="list-style-type: none"> • Equal opportunities for people with disabilities. 	1,381 disabled people work for L'Oréal	1,280 people
Developing sustainability with suppliers	L'Oréal will evaluate and choose all strategic suppliers, taking into account their environmental and social performance.	97% of the Group's strategic suppliers have been evaluated and chosen on the basis of their environmental and social performance.	87%
	All strategic suppliers will assess their own sustainability activity (with L'Oréal's help).	99% of strategic suppliers assessed themselves and their sustainability policy (with L'Oréal's help).	96%
	L'Oréal training tool will be accessible for all company's suppliers in order to improve their sustainability policies.	L'Oréal training platform was launched in 2016. Now it is firstly being made available to main suppliers of the company. Further, it will be allowed to be used externally.	
	20% of main suppliers will support L'Oréal Solidarity Sourcing program.	22% strategic suppliers are involved in the Solidarity Sourcing program.	17%
Developing sustainability with employees	Employees will use health cover, that will include best medical practices in the country of residence.	96% of the L'Oréal's permanent employees benefit from health cover.	94%
	Employees can be financially supported by the company in the events of life-changing accidents such as death or permanent disability.	92% of the company's permanent employees have able to use financial protection in the event of a life-changing accidents.	91%

	Each company employee is able to participate in at least one training/educational event per year, whenever he/she is situated.	100% of the company's employees participated in minimum one educational event in 2020.	96%
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“Sharing beauty with all” plan of L’Oréal is a great example of well-structure business sustainable strategy of FMCG company for 2013-2020. L’Oréal activity in this period was really successful. Main learnings from these results, learnings and their reasons are analyzed in the next subchapter.

Now, let’s evaluate company’s activity during Covid-19 pandemic. At the start of 2020 L’Oréal implemented a solidarity program to support the fight against coronavirus in Russia. This program aims to support a wide range of stakeholders: hospitals and healthcare professionals who are at the forefront of the fight against the spread of the coronavirus; pharmacists; food retail staff that meet the basic needs of consumers; staff of orphanages and nursing homes; and non-profit organizations that seek to protect the most vulnerable, such as caring for the elderly, who now need support and protection more than ever.

L’Oréal solidarity program includes the following aspects:

- Solidarity with health authorities;
- Solidarity with healthcare professionals;
- Solidarity with food trade partners;
- Solidarity with small and medium-sized enterprises;
- Solidarity with the most vulnerable categories of the population⁴⁷.

As for the first aspect - solidarity with health authorities, the Russian L’Oréal Kaluga plant began to produce cleansing gel-sanitizers for hands with subsequent donation to health authorities and hospitals in the Kaluga region. The release of a trial batch of the gel took place in the presence of the Acting Governor of the region V.V. Shapshi. The plant is still carrying out the production of sanitizing gel as long as the need arises⁴⁸.

⁴⁷ L’Oréal запускает программу в поддержку борьбы с коронавирусом/ Официальный сайт Лореаль
URL: <https://www.loreal.com/ru-ru/russia/articles/group/our-response-to-covid-ru/>

⁴⁸ L’Oréal запустила в Калужской области производство дезинфицирующего геля-санитайзера/ Россия
ГТРК Калуга, 24 апреля 2020

Speaking about the second aspect - solidarity with healthcare professionals: La Roche-Posay brand launched hand sanitizer gel to support doctors and pharmacy staff. In addition, La Roche-Posay provided Lipikar Xerand moisturizing hand cream for doctors in the hospitals. L'Oréal Paris also contributed to the fight against Covid-19. To support healthcare workers at risk of their health, L'Oréal Paris will have supplied 100,000 units of sanitizing gel to Russian hospitals treating patients with coronavirus infection⁴⁹.

In terms of the solidarity with food retail partners: The Garnier brand in 2020 ensured the supply and free handover of 100,000 hand sanitizer gel to employees of its Russian customers - large food retailers - who continued to work to provide consumers with essential products and supplies. That activity helped the employees of those stores to protect themselves by following the recommended prevention rules⁵⁰.

Speaking about the solidarity with small and medium enterprises (SMEs): Because beauty salons were among the businesses most affected by the restrictive measures, L'Oréal supported beauty salons and hairdressers through continuous training and advice on maintaining business during self-isolation and after returning to normal salon operations⁵¹.

And the last area of L'Oréal activity during the Covid-19 was solidarity with the most vulnerable categories of the population. L'Oréal in Russia has decided to donate shampoos as a basic hygiene product to the «Rus» (Русь) charity foundation. The Foundation provides assistance to citizens in need, including lonely elderly people, by providing them with kits of essential goods. In addition, L'Oréal met the special needs of people living in nursing homes and hospices with free shampoos and moisturizing body balms in partnership with the «Old Age Joy» (Старость в радость) and «Faith» (Вера) Foundations. Such support is necessary in the current conditions, when the main forces and means of these social institutions are aimed at ensuring the safety of personnel and wards⁵².

URL: <https://gtrk-kaluga.ru/news/ekonomika/news-19069>

⁴⁹ Компания L'Oreal запускает программу солидарности в поддержку борьбы с коронавирусом в России/ Коммерсантъ.ru, 22.04.2020

URL: <https://www.kommersant.ru/doc/4328060>

⁵⁰ Garnier мобилизует Ресурсы для борьбы с COVID-19/ Garnier – официальный сайт

URL: <https://www.garnier.ru/solidarity>

⁵¹ Компания L'Oréal запускает программу солидарности в поддержку борьбы с коронавирусом в России/ L'oreal – официальный сайт, пресс-релизы

URL: <https://www.loreal.com/ru-ru/russia/press-release/group/loral-company-launches-program-in-support-of-solidarity-against-coronavirus-in-russia/>

⁵² IdibM.

After the communication with L'Oréal managers, we are able to evaluate the recent business sustainability strategy of the company, L'Oréal has created a document “L'Oréal for the future - Our commitments for 2030”, where there are measurable targets for the company till 2030 regarding climate change, biodiversity and other important sustainable problems. L'Oréal company understood that targets, that were set in 2013 now have changed. This new document is based on multiple researches, conducted by the company. Three main pillars of the strategy of the company are the following:

1. Transforming ourselves and respecting planetary boundaries;
2. Empowering our business ecosystem helping it transition to a more sustainable world;
3. Contributing to solving the challenges of the world by supporting urgent social and environmental needs.

Let's discover each of the points. The first one is about internal transformation of the company. It is vital to understand that for a big company to transform the world, firstly it is needed to transform itself. In this point L'Oréal included these aspects: fighting climate change, managing water sustainably, respecting biodiversity and preserving natural resources. For each of these points the company has set targets based on scientific research.

The second pillar of “L'Oréal for the future” plan is about empowering the business ecosystem. L'Oréal believes that the company can inspire consumers, suppliers and other companies to transform themselves. This pillar includes two main dimensions: building a more inclusive society and informing consumers so they can take action. L'Oréal is already among the leaders of FMCG sphere in terms of sustainability, but by educating and inspiring other business parties to create and transform their business sustainability strategies stands out the company from its competitors.

The third pillar is about helping the world that is in need. The company decided to 150 million euro for urgent world problems. Dimensions of this pillar are the following: supporting highly vulnerable women, contributing to the regeneration of nature and taking our commitment to promote a circular economy to a new level⁵³.

⁵³ L'Oréal for the future – our commitments for 2030/ Official booklet
URL: <https://www.loreal.com/-/media/project/loreal/brand-sites/corp/master/lcorp/documents-media/publications/l4f/loreal-for-the-future--booklet.pdf>

All in all, new sustainable strategy of L'Oréal is the second step in its sustainable journey, based on many years of education and practice, learnings and successes.

4.2. Sustainable plan recommendations, based on L'Oréal experience

From the analysis of the secondary and primary data, we are able to make some conclusions regarding L'Oréal's sustainable business strategy. First of all, let's use the chosen theories for L'Oréal evaluation. As for the five stages of sustainable organization, L'Oréal is on the on the 5th level – Creating next-practice platforms. L'Oréal is among companies who created new SPOT (Strategic Planning Online Tool) for evaluation of beauty products in order to make them more sustainable. Also, L'Oréal has a lot of innovation for new types of sustainable plastic packages for its products and 3D tools for skin testing. So, for L'Oréal sustainability equals new innovations. As for the next theory, typology of the different levels of sustainability, L'Oréal has a Business Sustainability 3.0 (True Sustainability). The company is seeking to minimize its negative impacts on environment and thinking about how it can create positive impacts on society and planet. In its new sustainable plan for 2030 “L'Oréal for the future” the company has the main target “to transform our activities to respect the planet limits”⁵⁴. That is a target for true sustainable company. And as for the five stages of corporate sustainability, L'Oréal is on the 4th stage — regenerative (strong sustainability). The company combines its knowledge with environmental problems and adds value to society and planet. All these theories and place of L'Oréal in them are in the table below.

Table 5. L'Oréal analysis with the help of main theories

L'Oréal	Level 1 (1 point)	Level 2 (2 points)	Level 3 (3 points)	Level 4 (4 points)	Level 5 (5 points)
Five stages of sustainable organization	Viewing compliance as opportunity	Making value chains sustainable	Designing sustainable products and services	Developing new business models	Creating next-practice platforms.
Typology of the different levels of sustainability	-	Business Sustainability 1.0 (Refined Shareholder Value Management)	-	Business Sustainability 2.0 (Managing for the Triple Bottom Line)	Business Sustainability 3.0 (True Sustainability)

⁵⁴ IdibM.

Five stages of corporate sustainability	Compliance (very weak sustainability)	Business-centered (weak sustainability)	Systemic (intermediate sustainability)	Regenerative (strong sustainability)	Coevolutionary (very strong sustainability)
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From our analysis of L'Oréal activity, we can conclude which lessons company has gotten from its sustainable activity during the recent years.

1. The first one is that to achieve results connected with sustainability, it should be at the core of the company's activity. L'Oréal has done it in 2013 with its sustainable plan and is still doing it.
2. The second is that company should rapidly change and adapt to new market rules and world changes. During Covid-19 L'Oréal was among the first companies who reacted to it and introduced its Solidary program.
3. The third is that company must take into account its direct and indirect impacts on the environment. Direct impacts are more visible and easy to trace, while indirect ones are difficult to indicate.
4. The fourth is that by attracting other parties, competitors to solve world problems, the company can generate more profit and achieve bigger sustainable goals. L'Oréal cooperate with other FMCG companies on great initiatives like SPOT, also attract its suppliers to be more sustainable.

As for the reasons of these lessons, we can conclude that L'Oréal is among the biggest FMCG companies of the world. The company sells its production in more than 130 countries of the world, so it requires to take into account different cultural peculiarities, country laws and consumers' behavior. Also, new world challenges influence the company a lot. Covid-19 was among the key factors, that changed L'Oréal activity in the recent two years. This difficult situation required a lot of new resources, courage and innovations from the company. What is more, changes of consumers' behavior, raising of online purchasing affected company' performance. It needed to adapt its marketing strategy and sustainable goals to all of these changes.

From the analysis of L'Oréal, we can conclude three main recommendations for other FMCG companies in order to help them to transform business sustainable strategies.

1. The first is to transform the company internally, taking into account planet boundaries. If the company doesn't have sustainable strategy for its internal work, it is impossible to influence on the outside world. What is more, when the company is creating its sustainable strategy, it should evaluate planet boundaries and problems, to make it efficient.

2. The second is to inspire other parties of the business ecosystem. When the company collaborate with others, it can share its experience and gain new knowledge from other parties.

3. The third one is to participate in solving the world challenges. Company must support urgent environmental and social problems, if it is willing to become sustainable.

CHAPTER 5. DISCUSSIONS AND CONCLUSION

5.1. Key recommendations

This paper examines how and why FMCG companies transform their business sustainability strategies. In order to achieve this goal, we have analyzed micro and macro-changes that affect business sustainability strategies. Then, we have identified six main theories on the topic and chosen three of them, that we used for the further research

After the analysis of theories, we moved to analysis of two FMCG companies — Unilever and L'Oréal — that are leaders in this industry. We gathered and analyzed secondary data about each of the company: its business sustainability strategy before 2020, activity during Covid-19 and new business sustainability strategy from 2021. Then we communicated with companies' managers, who are responsible for sustainable development. We discussed key aspects, motivations, lessons of their business sustainability strategies. After it, we evaluated Unilever and L'Oréal with the help of the chosen theories and highlighted key lessons, their reasons and recommendations, based on their experience.

In the end, we are able to present a list of recommendations, that could be used by other FMCG companies, who are willing to implement or transform their business sustainability strategies:

1. To make people's lives easier with the help of products/services, companies must think not only about profit, but mostly about society;
2. Companies are in charge of systematic changes. If companies want to be truly sustainable, they should not wait for others to wait, but must be the first ones to do so;
3. To adapt and change measurements that we set for the tracking of business sustainable activity. When the company set targets for ten years, it must adapt it to word changes and take into account new crises and trends.
4. In order to transform its business sustainable strategy, company must transform internally, taking into account planet boundaries. If the company doesn't have sustainable strategy for its internal work, it is impossible to influence on the outside world.
5. Companies must inspire other parties of the business ecosystem. When the company collaborate with others, it can share its experience and gain new knowledge from other parties.

6. Companies must participate in solving the world challenges, by supporting urgent environmental and social problems.

These recommendations will be useful for companies who are going to implement or transform their business sustainability strategies.

5.2. Theoretical contribution

From the studied literature, we found out that there is a gap of new perspectives. So, in our research we have combined three most relevant and recent theories in order to create a new perspective on the research of the transformation of sustainable business strategies of FMCG companies. These theories are:

1. Five stages of sustainable organization by Nidumolu, Prahalad and Rangaswami;
2. Typology of the different levels of sustainability by Dyllick and Muff;
3. Five stages of corporate sustainability by Landrum.

What is more, in our research we have done an analysis of Covid-19 impact on the transformation of business sustainability strategies. Pandemic times have changed market and FMCG sphere. But there are not so many theoretical researches about this topic. So, this paper will add value for the theoretical base on business sustainability strategies.

5.3. Managerial implications

The practical implications of this study could be divided into two main directions: analysis of the transformation of sustainable business strategies of FMCG industry leaders and an investigation of FMCG companies key activities and challenges during Covid-19.

In our research we investigated how FMCG industry leaders transform their sustainable business strategies in the 21st century. For recent 20 years companies moved from being observers of world changes to being participants of this process. Unilever and L'Oréal are among industry leaders who really invest their resources and implement new innovation in sustainability sphere.

Also, we have analyzed FMCG companies key activities and challenges during Covid-19. We investigated consequences of Covid-19, like boosting of online sales, new customers' behavior trends and demand for new product groups. Unilever and L'Oréal have been among those who firstly adapted to new pandemic conditions. They increased their online presence,

promoted new products online, tried to help hospitals and doctors during difficult times and so on. All main activities of these leaders are present in our research and could be used by other companies as examples or inspirations for their campaigns during pandemic or other crisis or world changes.

5.4. Limitations and future research directions

This study has several limitations regarding the data analysis. First of all, we have analyzed only two big FMCG companies in our research. It was done due to our time limits. However, these two companies – Unilever and L’Oréal – are industry leaders, so their practices and experiences are essential for our research and can be good base for the further analysis.

What is more, we didn’t have a lot of interview with managers of the companies. It was difficult to reach managers, who are responsible for sustainable development. So, communication with other managers, who are indirectly connected with sustainability in each of the company, would require even more time. What is more, it is impossible for interviewee to share closed information of the company. That is why, primary data is really closely related to secondary sources, especially provided by the company itself on their official website.

Finally, we have analysed companies’ transformation till Covid-19 (year 2021), but pandemic now is having new waves and still influencing sustainable sphere. What is more, our world is changing very fast, so every day new factors, influencing the world, arises, and we need to take them into account.

Taking into account all the limitations mentioned above, we could define possible future research directions regarding this topic:

- We can analyze more FMCG companies, not only leaders, but also medium/ low performing ones to have bigger picture of the industry in our research;
- We can conduct more interview with different managers of FMCG companies, who participate in sustainability projects;
- It will be useful to analyze business sustainability strategies’ transformations further in time, after Covid-19.

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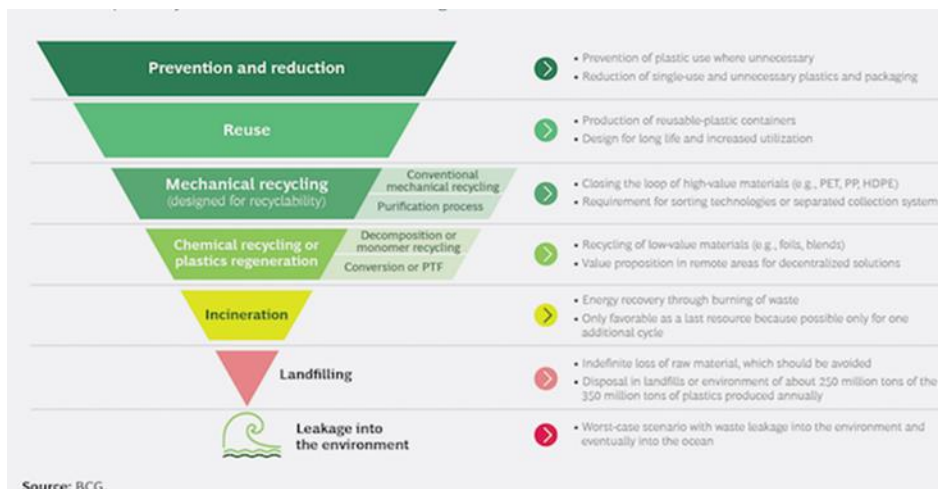
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APPENDICES

Appendix 1. The global goals for sustainable development/ Lamach M. How our company connected our strategy to sustainability goals/ Harvard Business Review, October 2017



Appendix 2. The pyramid of plastic waste management/ A circular solution to plastic wastes. BCG/ July 2019



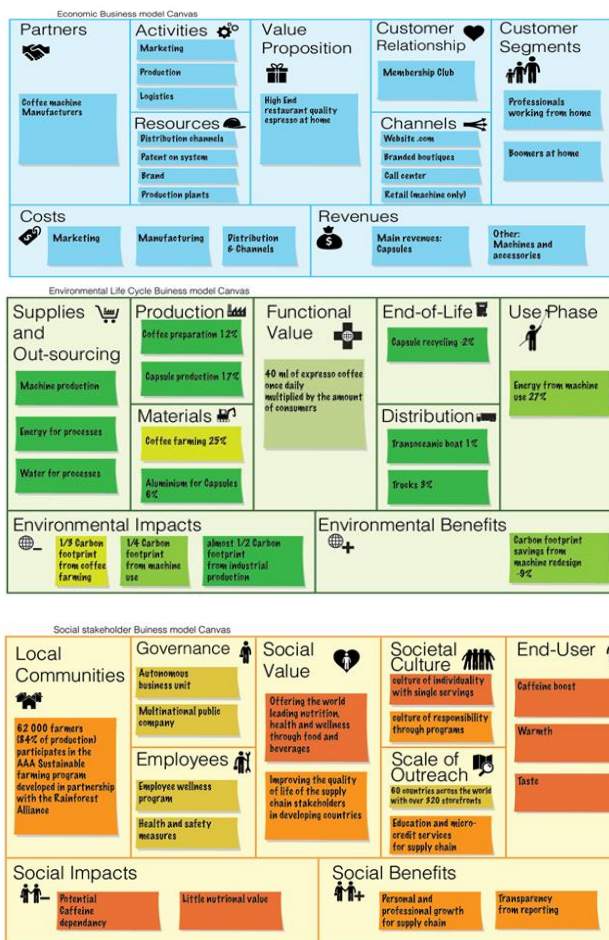
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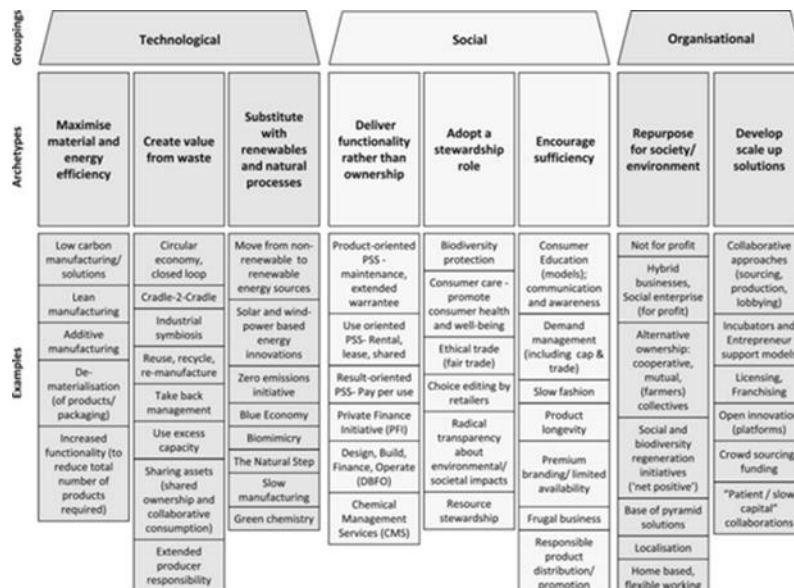
Appendix 4: The Business sustainability typology with key characteristics and shifts/ Dyllick, Th. and Muff, K. (2016), “Clarifying the meaning of sustainable business: introducing a typology from business-as-usual to true business sustainability”, Organization & Environment, Vol. 29 No. 2, pp. 156–174.

BUSINESS SUSTAINABILITY TYPOLOGY (BST)	Concerns (What?)	Values created (What for?)	Organizational perspective (How?)
Business-as-usual	Economic concerns	Shareholder value	Inside-out
Business Sustainability 1.0	Three-dimensional concerns	Refined shareholder value	Inside-out
Business Sustainability 2.0	Three-dimensional concerns	Triple bottom line	Inside-out
Business Sustainability 3.0	Starting with sustainability challenges	Creating value for the common good	Outside-in
The key shifts involved:			
	1 st shift: broadening the business concern	2 nd shift: expanding the value created	3 rd shift: changing the perspective

Appendix 5. The Triple Layered Business Model Canvas/ Joyce A., Raquin R.L.. The triple layered business model canvas : a tool to design more sustainable business models/ Journal of Cleaner production, 2016



Appendix 6. Sustainable business model archetypes/ Bocken N.M.P, Short S.W. ,Rana P. ,Evans S. A literature and practice review to develop sustainable business model archetypes./ Journal of Cleaner Production, 2014



Appendix 7. Interview with Communications & Sustainable Business Manager in Unilever Russia, Ukraine and Belarus, Anastasia Novak

Q1: Tell me, please, about your position and how do you related to the sustainable development in your company?

Answer 1: I am Anastasia Novak. I work as Communications & Sustainable Business Manager in Unilever Russia, Ukraine and Belarus. Previously, I had an experience of working in different agencies as team leader and account manager and worked with Unilever and its brands. I organized different events and evaluate, prepare various campaigns and projects on sustainability topic. Also, I am passionate about sustainability, garbage separation system and ecology.

Q2: Do you have business sustainability strategy in your company?

Answer 2: Our company doesn't have a strategy; we have a sustainable plan. Inside this plan there are different strategies. Unilever's plan for 2010-2020 is USLP. From February 2020 we have a new plan – Unilever Compass. New aspects in this plan are its strategies: “positive beauty” and “clean beauty”.

Q3: Is this business sustainability strategy independent (functional) or is it a part of the whole business strategy of your company?

Answer 3: In our company sustainable strategy is a part of the whole plan of the company for the chosen period of time. Our main purpose of the company is to make sustainable living commonplace. So, sustainability is at the core of our company.

Q4: How can you describe business sustainability strategy in your company? Can you name its main characteristics?

Answer 4: (see answer 2&3)

Q5: We know about the target that your company has set in its sustainability plan, did your company achieved these targets?

Answer 5: Unilever has a big success with sustainability plan implementation. Many goals were achieved. For example, alternative sources of energy at all Unilever's plants and factories, new packaging requirements and many others. Each region contributes to the Unilever's goals. Some goals' KPI were not achieved because they needed cooperation of all stakeholders and

actors in many regions where the company is operating. These not achieved or partly achieved goals commitments are reformulated taking into account lessons from USLP and are adapted to Unilever's Compass plan. For example, "sustainable ingredients in Unilever products" and "cooperation with small retailers".

Q6: What lessons did you and your company learn from this sphere after 2010-2020? What can be done better in 2010-2020?

Answer 6:

Sustainable goals should be able to be achieved and the company alone cannot do it. Company should cooperate with stakeholders and take into account modern changes. Also, companies should add to its brands purpose. Brands with purpose have more meaning and contribute successfully to business sustainability strategy' realization. For example, in Unilever's brand "Dove" raises self-esteem of women and girls⁵⁵, "Domestos" helps to improve sanitation at schools⁵⁶, "Chistaya Liniya" helps to recover natural beauty⁵⁷ and so on. All unachieved goals were revised and included in the new Unilever Compass plan in a new version.

Q7: How did Covid-19 influenced the transformation of business sustainability strategy?

Answer 7:

There is a big amount of information regarding this topic on the internet. For example, the brand "Silky hands" (Бархатные ручки) elaborated a program "The power of touch is protected", inspiring and educating people about hand-washing in pandemic times. It included different challenges, recommendations and educational information on the topic⁵⁸. What is more, during the pandemic Unilever helped volunteers of the project #Wearetogether (#МыВместе) and provided them with 10,000 bottles of Glorix Antibacterial Hand Gel. In total, the volunteers received 7.5 thousand liters of antiseptic⁵⁹.

⁵⁵ Dove – our vision, Dove official website

URL: <https://www.dove.com/us/en/stories/about-dove/our-vision.html>

⁵⁶ Every Domestos provides safer toilets in schools, Unilever official website

URL: <https://www.unilever.com/brands/every-u-does-good/domestos/>

⁵⁷ Chistaya Liniya, official website

URL: <https://www.chistaya-linia.ru/about>

⁵⁸ Бархатные ручки, Сила прикосновений под защитой/

URL: <https://www.silkyhands.ru/soviet/sila-prikosnoveniy-pod-zashchitoy/>

⁵⁹ Волонтеры акции #МыВместе получили 10 000 флаконов антисептика от компании Unilever, Волонтеры Медики

URL: <https://xn----ctbhcbtapdmikb4a2a0m.xn--p1ai/news/volonteryi-aktsii-myivmeste-poluchili-10-000-flakonov-antiseptika-ot-kompanii-unilever/>

During Covid-19 there were many changes, that affected Unilever. People started to buy more of the company's production online. E-commerce was boosting for Unilever. We sold a lot via Ozon, Wildberries. At the SPIEF 2021 Samokat and Unilever agreed to cooperate about e-commerce⁶⁰.

Q8: What are the main risks for your company during the transformation of your business sustainability strategy?

Answer 8: As a huge company, Unilever has a lot of risks. It should have enough resources to generate profit and manage business. Also, it should cooperate with the government and society, thinking about countries where the company operates and its customers.

Q9: What are the plans of the company in terms of business sustainability strategy in 2021 and further?

Answer 9:

Our new Compass plan has same great purpose – to make sustainable living commonplace. In this plan there are three main directions. The first one is to improve the health of the planet. The second is to improve people's health, confidence and wellbeing. The third one is to contribute to a fairer, more socially inclusive world⁶¹.

Q10: Do you think that your company has enough resources in order to develop business sustainable strategy in the future?

Answer 10:

In order to achieve all set goals, Unilever need a lot of resources. Of course, financial resources are important. All sustainable target can be achieved if there are three main stakeholders – business, society and government – that are involved. Business must adapt to new market rules, understanding that sustainable business strategy is a key for future development.

Q11: What drives your company to develop business sustainability strategy?

⁶⁰ Пользователи Самоката получают доступ к уникальным товарам компаний PepsiCo и Unilever, 03.06.2021

URL: <https://www.sberbank.com/ru/news-and-media/press-releases/article?newsID=68d3d89d-9b2a-44c1-ae28-07ca08f93a14&blockID=7®ionID=77&lang=ru&type=NEWS>

⁶¹ Unilever Compass/

URL: <https://assets.unilever.com/files/92ui5egz/production/9a05104f74cda624c168b7898090b04ae6508926.pdf/Compass-Strategy.pdf>

Answer 11:

When Unilever develops its sustainable plan, it takes into account three parties – people, government, planet. People from society should choose sustainable brands with purpose and add personal impact, thinking about environment. Government should adhere to the principles of responsible production, quality control, take care of citizens and help business development. Also, authorities are responsible for laws elaboration, that will help business be sustainable and motivate society. Also, brands with purposes, because they are among the key drives of sustainable business strategies. Unilever adds purpose to all its brands.

Q12: Would you like to get any additional information regarding the topic?

Answer 12:

I am responsible for, Russia, Ukraine and Belarus region. There are many regions where country government already support businesses and create sustainable infrastructure, that is a base for each business. In Europe, USA sustainable business strategies are common for businesses, society and government. While in our region we are just starting this journey. Our population is not really informed and know a lot about sustainable development goals of the millennium For us sustainable business strategies are new and are only starting to be a part of our lives. So, such companies as Unilever should inform people about the role of the sustainability in the modern world. But the audience in Russia, Ukraine and Belarus is open for new changes and actively participate in many activities. On social media high involvement and interest from the audience is noted. In Russia there is a big trend for business cooperation for sustainable activities (systems of garbage separation, new product formulas creation etc.).